role å management o iew weeks into h Mr Masera is sig he business, but ins, that an era is commercial but is commercial but is currently but it beart of his ha . He acknowleds hay have a role

SEMBER 1 199

EC presses **US to give** ney have a role in may have a role in infructoring italy brough mergens a, and believes in information and entry visa t deposit base and a stionship with Conto Arafat The EC, on the eve of the

World News

strengthening Buropean Community summit on Rhodes, urged the US to grant Palestine Liberation Organisation chairman Yassir sees a variety of ci Addances with the unions as a necess of the globalisation of thich will strength structure banking a to become a mate foreign securities was private invest ingenes trate of private ingenes the world Arafaf a visa allowing him to address the United Nations in New York. Rhodes summit Page 2 Sri Lanka attack

At least four people were killed, and 50 injured, in an attack on an opposition elec-tion rally of the People's Party near Colombo. Reported killed in the strack mer were sera's friends bein is post as director i research st the Ba d for the time ben that he wanted he s, and confesses to at the central by ning "routine" e at IMI gives his of experience in preach on some dia abjects, such a in much deeper that financial service regulated at a Strip 1 after 1992. ademic-turned-be is also excited by a ty to return to set y teaching, and b

John Wy



professorship

mai finance at me

Pate Luiss Universitiers how he will

bankers, a 'cita is needed in the vidual retail man T top back execute is the case in Sta incade ago, the tast a retail contras -: to the more giants corperate or and tanking - in th own upon by topin DOORER IN TOLEL SETTE countries has an

180 trucks to ferry stranded officials said soldlers were fighting a losing battle against

Gen Cinema to sell soft drinks unit for \$1.5bn

announced it planned to sell its US soft drinks bottling busi-ness to PepsiCo, the second largest drinks group in the world, for \$1.5m. Page 25

PLATINUM price rose strongly again in London to reach \$610.50 an ounce, having

Platinum \$ per troy ounce

Jun

Page 25

620 🌆 in the attack was party vice president Bandara Senar-atna. Background Page 6 600 580 560 Cyclone search 540

Ships of the Bangladesh and Indian navies scoured the Bay of Bengal for thousands of fish-ermen and islanders missing 500 520 🍸 after a cyclone and tidal waves killed at least 700 people. 480

 Asstrite
 Sch22
 Indenesta
 Ru3109
 Philippines. Pessel0

 Behrgin
 Bit Addition
 Ru3160
 Portugal
 Ext20

 Behrgin
 Brit Stopel
 MSS.50
 Surghaver.
 Ext20

 Canada
 Stopel
 MSS.50
 Surghaver.
 Ext20

 Canada
 Stopel
 MSS.50
 Surghaver.
 Ext20

 Conada
 Clo.90
 Lapta
 Lif700
 Singnavors
 SS4.10

 Cybrid
 Clo.90
 Jordan
 Tils.500
 Surghavers
 SS4.10

 Cybrid
 Clo.90
 Jordan
 Fils.500
 Switz
 Ru302

 Egypt
 Et2.25
 Kuytaki
 Fils.500
 Switz
 Strigator
 Strigator

 Fridesti
 Fort/7.00
 Lar
 Life68
 Tahan
 Wits00

 France
 Drid2.30
 Matrosco
 Dits00
 Tamisia
 Dits00

 Germany
 DM22.30
 Matrosco
 Dits00
 Tarkey
 L400

 Hong Kong
 Matrosco
 Dits00
 Tarkey
 L400
 Tarkey
 L400

 India
 Marg12.5
 Matrosc

Nuclear writ

Philippine Government is suing Westinghouse Electric over claims that the US com-pany paid bribes that benefited former President Marcos to procure a contract to build a \$2.1on nuclear power station. Page 8

Peru wage strike

Peruvian workers staged a one day strike demanding higher wages and an end to food shortages. Page 5

Fieldhouse IN

Chief of Britain's defence staff, Sir John Fieldhouse, 60, underwent emergency surgery after falling ill at a Nato meeting in Brussels,

Sydney ultimatum Australia will close the Yugo-slav consulate in Sydney if the person who shot a 16 yearold Croatian youth during a -demonstration is not handed-over to Australian police in 24 hours 24 hours:

Strike encalates

the spreading transport strike.

Labour blocks Likud

Business Summary GENERAL Cinema, US group;

No.30,709

moved up from \$589 on Mon-day. However, some profit-tak-

N/----

1988

ing in New York later in the

day caused the London price to ease back and it closed at

₽ A 1 parliamentary system.

Dec abuse of power.

\$608.75 an ounce, \$7.75 up from Wednesday's level. Page 40

devolution of power from the centralised Soviet state.

doubts remain about a system

Critics say that the new super-parliament, the Congress

trical engineering group, reported a pre-tax profit of \$358m for the first nine months of the year. Page 27

irading in an attempt to pestore its Gaierale Trading subsidiary to profit in 1989.

roup, reported lectronics

Gorbachev secures resounding victory for radical reform

By Quentin Peel in Moscow

THE Supreme Soviet of the USSR yesterday gave resound-ing - albeit not quite unani-mous - support to the first key package of radical consti-tutional reforms proposed by Mr Mikhail Gorbachev, the Scriet loader Soviet leader. As a result, the Supreme

As a result, the Supreme Soviet, until now little more than a rubber-stamping body for the decisions of the Com-munist Party leadership, has in effect voted itself out of office and paved the way for a new style of elections on March 25 style of elections on March 26 next year and a quite different Major elements in the reforms involve multi-candi-date elections, new rules for

nomination, the creation of a standing parliament to super-vise the executive anthorities and a constitutional control committee to prevent the In epite of substantial

amendments, however, the reforms failed to win the wholehearted support of the dissident Baltic republics, where strong nationalist move-ments are still seeking real Soviet from its own ranks - thus diluting any dissident elements. It will also reserve

one third of its seats for organ-isations such as trade unlons, In an open display of revolt, five deputies voted against the constitutional reforms, while 27 abstained, showing that the Communist Youth League, and the Communist Party itself, thus guaranteeing disproportionate representation for each like-minded bodies.

which will introduce a two-tier parliament and a new execu-tive president with sweeping authority - a post Mr Gorba-chev is expected to assume. amendments guaranteeing a bigger role for the Soviet

Continued on Page 24 of Deputies, will have an adverse effect on democracy by Kremlin plays its cards close to its chest, Page 2

Perestroika at 'critical' stage By John Lloyd in Moscow

A SENIOR Soviet economist has said perestroka (restruct-uring) is now "at a critical stage" and that the optimism over its success which had been common in government

circles has now been replaced

by a realisation that it could take "decades" for real improvements to come

approved last year by the Cen-tral Committee (of the Commu-nist Party) assumed structural changes based on economic growth," he said. because of the faltering state of the economy. His frank remarks were the more remarkable because they were made in the presence of US economists and industrial-

"But in 1988 growth fell off. This year the situation of the ists who were participating in a US-Soviet forum. They reflect a view which Prof. Abalkin has held for some months and Soviet economy is getting more and more serious, especially in the consumer market," the tbe economist added. "Serious disproportions have arisen," he said. Of the two elements in price reform - an administrative act changing the level of prices, and a new structure of prices based on **Continued on Page 24**

Main constitutional changes:

• Creation of a two-tier Par-

liament includig a standing Parliament with real powers to supervise the executive

• Creation of a powerful exec-utive President (likely to be

Mr Gorbachev) who may, how-ever, be ousted by Parliament Multi-candidate elections to

• Reserved seats in the

super-Parliament for "social organisations" such as trade

Martial law may be decreed

only in consultation with the

he the norm

unions

republics

Buyers queue up for stake in British Steel By Philip Coggan in London

BRITISH STEEL'S public offer looks set to be oversubscribed when applications close at 10am today.

By early evening yesterday, the offer had attracted around 400,000 applications from the investing public, employees and BS pensioners. On the basis of an average of 1,260 shares per application, the tar-get total of 460m shares under the offer has already been

This morning will bring a fresb batcb of post, some hand-delivered forms and applications from some invest-ment institutions. Expectations

were that the final total of applicants might be 500,000. An oversubscribed offer will be a great relief to the Govern-ment, after the bad trade fig-ures and interest rate rise last weak emeaned to have ionzerl. week appeared to have jeopard-ised the success of the issue. The offer was priced at 125p

per share, at the lowest end of expectations, in an attempt to maximise investor demand and dispel memories of British Petroleum's disastrous offer ast year. The Government was keen to resuscitate the privatisation programme ahead of the mucb larger electricity and

water issues. However, this week's wobbly stock market bas sharply reduced expectations of the premium which British Steel shares will attract when dealings commence on Monday. Early estimates, before the trade figures, had concentrated on a 15p-20p premium on the 60p first instalment price. However, IG Index, which is making a book on the premium at Monday's close, was yesterday quoting a spread of 61%-64%p.

Such a premium would mean very little, if any, profit for the stags which might ironically save the Government from crit-icisms that the £2.5bn (\$4.6bn) price it set for British Steel was too cheap. Even if British Steel receives

as many as 500,000 applicants, it will still be much less successful than most of the privatisation and major public offers over the past few years. Only the crasb-affected BP and Eurotunnel offers attracted

less interest. But a late surge of interest

RJR Nabisco shares fall as merger agreed

By Anatole Kaletsky in New York

THE SHARE price of RJR Nabisco fell unexpectedly on Wall Street yesterday morning, as arbitrageurs and investors reacted with constemation to the apparent outcome of the record-breaking auction for the large tobacco and foods con-

D 8523 A

News thet the RJR board had signed a merger agree-ment, said to be worth \$109 a share or \$25.1bn in total, with Kohlberg Kravis Roberts, the leading US leveraged buyont group, failed to impress the stockmarket. Doubts arose as to the bid's true value, tha judgment of RJR directors and as to the possibility of legal action delaying completion of the takeover. RJR's shares fell at first by

as much as \$2 when Wail Street opened, before settling by lunchtime at \$92%, which was \$% below Wednesday night's close and almost 20 per cent less than the nominal price of the KKR deal. The main reason for the big

gap between the RJR's stockmarket price and the deal's stated value was the large non-cash element in the KKR

KKR agreed to pay only \$31 in cash for each RJR share. The remaining \$28 of the stated price would consist of risky junk bond securities - \$18 worth of "exchangeable pre-ferred stock" plus debentures, convertible into a 25 per cent equity stake in the reorganised tobacco division of RJR, which KKR said would command a market value of \$10.

appeared to leave open the pos-sibility of legal action by Mr Arbitrageurs noted these Johnson's group or RJR shareholders who disagreed with the board's financial determinasecurities could turn out to be worth less than stated and were impossible to value accution.

Benazir Bhutto named as Pakistan Prime Minister

By Christina Lamb in Rawalpindi

BENAZIR BHUTTO, leader of the Pakistan People's Party, was named Prime Minister of Pakistan yesterday and thus became the first female leader

air crash in August. **Continued on Page 24**

For Ms Bhutto it marked the end of 11 years in a political wilderness since the overthrow and subsequent execution of her father, the late Prime Min-ister Mr Zufikhar Ali Bhutto. military ruler, in a mysterious The news came as little sur-prise. Earlier this week the PPP secured a majority in the National Assembly after reach-

Ghulam Ishaq Khan, acting ing the death of President Zia President, ended 15 days of sus-ul-Haq, Pakistan's former President, ended 15 days of suspense for the nation since the general election in which the PPP emerged as the largest party with 93 seats, but failed to win an outright majority in the 207-seat National Assembly.

of an Islamic country. The announcement by Mr The elections were held follow-

MAXWELL Communication, public company of Mr Robert Maxwell, the British publisher, announced the sale of three units of Macmillan less than than a month after he told

employees of the New York publishing house he had no intention of breaking it up. AMERICAN Telephone and

AMKKICAN Telephone and Telegraph, dominant US tele-communications group, will report the first annual loss in its 103-year history following a \$6.7bn pre-tax write-off of

obsolete equipment. Page 25 ASRA BROWN BOVERI, elec-

SOCIETE GENERALE de Belsique, Belgium's largest hold-ing company, is restructuring its interests in international

Page 26 HETACHI, Japanese consumer



itself electing the new Supreme

However, Mr Gorbacbev managed to win many of the

dissenters back on board with

Union's 15 constituent repub-

EUROPE'S BUSINESS NEWSPAPER

Friday December 2 1988

FINANCIAL TIMES

هكنامن الأجهل

Ō **MEXICO** New administration embraces austerity Page 24

rately until full details of the

The uncertain nature of

these securities also led to con-

cerns about legal action, since

the cash element appeared to have been larger in the elev-enth-hour bid which was pro-

posed by RJR's chief executive, Mr Ross Johnson, and rejected

on Wednesday night by the

Mr Johnson, whose buyout group was backed by Shearson Lehman Hutton and Salomon Brothers, valued his final offer

at \$112 a share, including a casb element of \$84. He also offered \$24 worth of preferred

stock, plus debentures convert-ible into a 15 per cent stake in the tobacco business which it

said would be worth \$4. To add to the confusion, the

cash elements in both bidders'

final offers were smaller than in one of the proposals submit-ted two weeks ago, when Mr

Johnson was willing to pay \$90 in cash plus \$10 in securities.

in effect, both bidders were

calling on RJR's sharebolders to lend them more of the money they required to finance

In opting for KKR in prefer-ence to the Johnson group, RJR said it had viewed the value of the two offers as "sub-etantially equivalent," but determined that the KKR pro-posal would be "in the best interests of the company and its shareholders."

This unusual statement

higher offers.

terms were released.

board.

that. asize the COST STOL TUTES IT can be generated lded mill: Serie tion has not yet all

Laty.

Alan Frieda

the bacs owner at also in terms of WE INDUSTRIE CON e their (1132 rif fear. messel ICEORDS STATES AND AND Wasted on the alt t Malino interest Mr Romiti coeine UNDERS 10 PERCENT Heving Furorer.

centra. bana a juk at a funeral for another WITH OFFICER IN to press for press faster chelicitation

11

Mafia arrests

More than 200 people arrested in a joint anti-Mana operation in Italy and the US on drug charges.

fence lawyer.

five more days of life.

Acid attack

A Jewish holocaust survivor hurled acid in the face of an

Israeli attorney for convicted

Nazi murderer John Demjan-

Table Mt fire

Firemen and army units bat-tled to control a forest fire which swept across Cape Town's Table Mountain destroying hundreds of hectares of vegetation and pine trees.

ne with over **isonal** with to York and

TUGI

re cuts in public

a, Frankfurt tions with

cosistorice my type of mochons. a great bank move with

D1

EULABANK, London-based Israeli Prime Minister Yitzbak Shamir and rival Foreign Minconsortium bank specialising in Latin America, has raised to woo ultra orthodox religious. an additional \$205m in capital from its shareholders to enable it to increase its provisions against Third World loans. politicians after Peres's Labour party spurned a coalition with Likud. Page 6 Page 30

INDUSTRIAL FOULTY, Sir Ron Brierley's Sydney-based com-pany, gained control of Woolworths, the Australian retailer for which it launched a takeover bid 10 days ago. Page 28

NOMURA Securities, world's biggest securities company, reported the biggest interim pretax profits of any Japanese company, confirming the grow-ing dominance of the country's financial groups. Page 28

BERLINER HANDELS- und Frankfurter Bank increased partial operating profits by 3.2 per cent in the first 10 months of 1988 to DM128m (\$73.9m) from DM124m in the year-earlier period. Page 27

"Particular efforts" are called for from some low-BAXTER International, has emerged from the last five turbulent years in the US health-care industry as the country's spending allies. The UK, which has announced a rise in military spending in real terms over the

next three years, is urged to make further increases and to do more to obtain greater effi-ciency and value for money. Denmark and Belgium, the two members most frequently criticised for their contribu-

worldwide net profits up 52 per cent to Y84.9hn (\$699m) in the six months to Septemthrough Professor Leonid Abalkin, head of the Institute of the ber; on sales which rose 12 per Economy at the Academy of cent to Y3,117bn. Page 28

Sciences, said that price reform had now been indefinitely delayed and that it would not currently be a good idea

By David White in Brussels

A STUDY of Nato defence

efforts points to "glaring" dif-

ferences between member countries and calls both for

more resources and for more efficient use of the money. The Nato report, approved

by defence ministers at a

Defence Planning Committee meeting here yesterday, has been welcomed by the US, which can use it to demon-sizate to members of Congress

that the contentious "burden-sharing" issue is being taken seriously.

which he has already partly exposed in articles and inter-

views. Prof. Abalkin said that the serious problems now confront-ing the Soviet Union could not be solved in parts. "The initial idea of price reform which was

tion, are told they need sus-

tained spending growth and large capital investments. The Netherlands and Luxembourg

also need to raise spending, the

report says, and Italy, Norway and Portugal to make greater

The report expresses concern about a possible slippage in West German capabilities, and warns Spain that it might have

underestimated the cost of

bringing its forces up to Nato standards.

The US, which continues to

spend more than 6 per cent of its gross domestic product on defence, far ahead of the other allies, and which has had the bickert growth in the

highest annual growth in the

last five years, is asked to maintain what the report calls "exemplary standards."

The report highlights "wide disparities" not only in the resources given to defence but

also in countries' response to allied goals for their forces, in

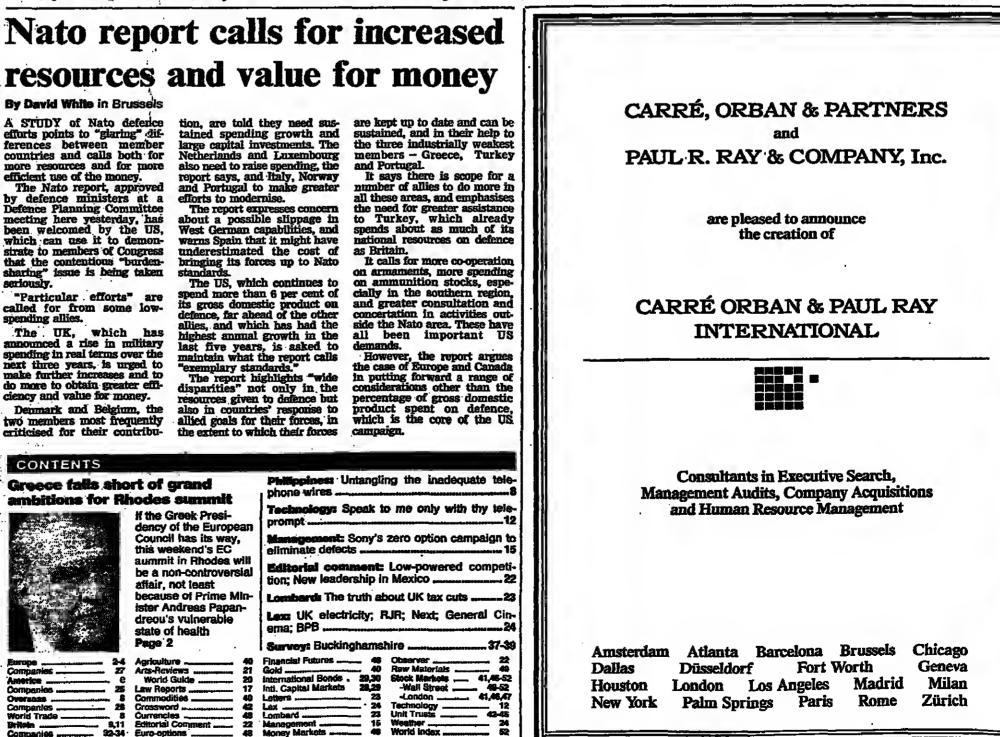
the extent to which their forces

ŝ

efforts to modernise.

has saved the offer from disaster. It seems that many inves tors followed press advice to wait until the last minute before applying, in case some disaster occurred in the stock

Continued on Page 24



major hospital supplier, and has its eyes firmly set on over-seas growth. Page 26 BOMBARDIER, Canada's leading heavy transport equipment and acrospace group, improved performance in both the third of 1988. Page 26

quarter and first nine months STOCK BIDICES STERLING New York close New York close \$1.853 (1.8535) Dow Jones Ind. Av. 2,101.88 (-12.63) S&P Comp \$1,853 (1.8505) 272.48 (-1.22) DM3.21 (3.212 FFr10.975 (10.9775) SFr2.69 (2.69) FT-SE 100 Y225.25 (225.5) 1,778.7 (-13.7) DOLLAR World:

New York close

DM1.731 (1.73125)

FFr6.912 (5.91225)

Y121,425 (121.475)

York latest

SFr1.451 (1.44925

London:

OOLD

New

Comex Feb

\$428.5 (429.6)

(8¹2) 3-mth Treasury Bills: DM1.7325 (1.1307 FFr5.9225 (6.9325) yield: 8.088% (8.057) yield: 8.088% (8.057) Long Bono: 9915 SFr1.452 (1.453) Y121.6 (121.9)

ð

	CONTENTS	
STOCK HIDICES	Greece fails sho ambitions for Ri	
Dow Jones Ind. Av. 2,101.85 (-12.63) S&P Comp 272.48 (-1.22) London: FT-SE 100 1,778.7 (-13.7) World: 138.59 (Wed) Tokyo Nikkeji Ave 29,541.46 (-37.44) Frankfurt		If the Greek Presi- dency of the European Council has its way, this weekend's EC aummit in Rhodes will be a non-controversial affair, not least because of Prime Min- ister Andreas Papan- dreou's vulnerable state of health Page 2
Commerzbank 1,591,2 (+8.7) CHL Brent 15-day (Argus) \$14,85 (+57cta) (Dec) West Tex Crude \$15,665 (+65cta) (Jan)	Europe 2-4 Companies 27 Ausstics 25 Companies 25 Oversaas 8 Companies 26 World Trade 8 Britsin 9,11 Companies 32-34	Currencies

	Philippiness Untangling the inadequate tele-
ean	Technology: Speak to me only with thy tele- prompt
,	tianagement: Sony's zero option campaign to eliminate defects
will siai	Editorial comment: Low-powered competi- tion; New leadership in Mexico
Aln-	Lombard: The truth about UK tax cuts
រោ-	Lexe UK electricity; RJR; Next; General Cin- ema; BPB
	Survey: Buckinghamshire
40 17 00 20 17 40 42 48 22 48	Financial Futures 48 Observer 22 Gold 40 Rsw Materials 49 International Bonds 29,30 Stock Martels 41,45-52 Inti: Capital Markets 28,29 -Wall Street 41,45-52 Letters 23 -London 41,46,47 Letters 24 Technology 12 Lombard 23 Unit Trusts 42-45 Management 16 Weather 24 Money Markets 46 World Index 52

as Britain.

demands.

campaign.

MARKETS Coffee January kutures (2 per tonne) 1200

Long (9932)

3-month in

J.

riekt: 9.045% (9.063)

close 1315% (same)

rbank

1150 100 1050 Oct 4 1988 Dec 1 INTEREST BATES US kun Federal Funds alz%

EUROPEAN NEWS

Strikes raise profile of French Communists Greece falls short of grand

By Paul Betts in Paris

THE FRENCH Communist party has set the tone this week for what promises to become a particularly intense and bitter campaign for next spring's French municipal elec-tions by fanning the strikes which have caused growing havoc in the Paris public transport network.

The strikes, which have forced the Government to call in the army to provide emergency transport services for stranded commuters, have now turned into an open showdown between Mr Michel Rocard, the

By Quentin Peel in Moscow

month - as Soviet citizens sought to exer-

cise the one way they know to get their

views across to the authorities. Newspapers were inundated, too, not to

mention Communist party organisations.

republican and regional governments, and town councils. Clearly, people were taking

From the entire debate, a whole raft of

Almost half the articles in the proposed reforms were set to be altered - 32 out of 62 articles in the new election laws, and 26

when the plans were presented to the

when the session was one day old. Ordi-nary citizens have had no chance at all. The dicbotomy of glasnost - seeking to

promote an open debate, and then denying

half the basic information needed to con-duct it - is still glaring. Mr Gorbachev admitted as much when he wound op the

was following the old practice of declaring:

they will get used to it all in time." The first batch of amendments was

approved almost two weeks ago, by a joint

meeting of constitutional committees of

out of 55 in the constitutional reforms

constitutional change seriously.

MR

Socialist Prime Minister, and according to Patronat, the the Communists. As the Paris public transport French employers federation. are costing the economy about FFr800m (\$135.6m) a day. As the Paris public transport conflict threatened to spill over into other public services. Mr Rocard accused the Commu-nist Party in the National Assembly this week of being at the heart of the latest wave of labour unrest in France. And The sudden re-emergence of the Communists at the forefront of the political stage is not altogether surprising. They had been expected to deploy their political energies in the municipal elections – in many labour unrest in France. And the Gaullist RPR opposition party entered the political fray hy confirming yesterday its intention to table in the next few days a censure motion against the Government for Its handling of the strikes, which. respects far more important for

the party than the recent Presi-dential or legislative polls. The Communists, whn at a national level have seen their popular support stabilise just

over the 10 per cent mark, are now keen to keep their more significant role at a municipal and local level, especially io traditional left-wing regions of the country. To this end, they have been pressing the Socialists to enter into a new national electoral pact to pres-ent joint lists of left-wing can-didates in the municipal polls. But the Socialists, who are seeking to expand their elec-toral base by wooing the centrists, have so far been reluc-tant to agree to such a deal with Communists. This

appears to have prompted the Communists to try to raise political pressure on the Social-ists hy backing the strikes led by its CGT union allies.

The clash between Commu-nists and Socialists carries serious political risks for both parties. The public sector strikes have already provoked widespread public anger and erasperation. This is beginning to undermine the popularity of the Socialist Government and could backfire on the Communists who are widely blamed for fuelling the strikes.

F the Greek Presidency of the European Council has its way, this weckend's European Community summit in Rhodes will be a non-contro-versial affair. "Our aim in Rhodes will be to prevent conflicts, not to create them," one Greek official said.

dreou, the Greek Prime Minis-ter, is one key reason why Athens will seek to avert seri-ous disagreement on any item on the agenda. Mr Papandreou is still recuperating from a serious cardiac operation per-formed in London last Septem-

ber and on doctors' orders the island regions. work and stress be can sustain are extremely limited.

This has disappointed no one more than Mr Papandreou himself. He had hoped to exploit the EC Presidency with a dramatic political gesture designed to boost his prestige at home. As it is, be has had to content himself with two ini-tiatives, which Athens is counting on to lend a Greek flavour to the summit: the drafting of a relatively ano-dyne declaration on the Com-munity's international role, and a discussion of EC policy the subject which is not expec-ted to bear fruit until the on global environmental prob-

French Presidency in the sec-ond half of 1989. The review of the progress According to Mr Theodore Pangalos, Greece's Minister for towards the 1992 single market, BC Affairs, the other main items on the agenda are the social implications of setting up the 1992 single market and based on a report drafted by the Commission, could run into objections from British Prime Minister Mrs Margaret

Ye Olde European bastion against Eastern invaders

But that is not the only par-

JOURNALISTS arriving yesterday at Rhodes' Cactus Hotel – "everything you write gets spiked" – at last tumbled allei claim. Rhodes was "not only the first European defence community," with the on the reason why the Greek Government chose this of its many islands as the venne for Knights running Europe's only standing army and navy of the time, but also "the first out-line of a European common today's European summit, writes David Buchan in market" in agricultural and Rhodes.

financial services. This bold claim rests on the role the Medleval Rbodes, said a helpfal set of history notes provided to journalists, was "the first European state." The Knights are said to have had in promoting farming, and fin-ancing Euro-Arab commerce. Was all this designed to Grand Master of the Knights of St John of Jerusalem, whn arrived in Rhodes in 1309 and recall huw Enrope united against the Saracens, some built the magnificent castle where EC leaders will meet journalists wondered. After all Rhodes is only just across from Turkey, which has applied to join the EC and today, was elected by a 45-man council from 20 countries. This was the forerunner of today's expects to hear the EC verdict European parliament. next year.

ambitions for Rhodes summit Thatcher, depending on how a mid-term review of progress so far towards the single mar-ket. The 12 EC heads of govern-ment are also expected to dis-

aggressively Mr Delors pushes for a discussion of thorny issues an which insufficient progress is judged to have been made, such as frontier controls and fiscal harmonisation. Howand fiscal harmonisation. How cver, according to Mr Panga-los, the Greek Presidency does not expect a re-enactment in Rhodes of the recent acrimoni-ous ideological Thatcher-Delars debate on the future shape of the Community

the Community. Other Greek officials also stressed that the Presidency will do its best to avoid such a confrontation from developing. The discussion on the environ-ment is expected to dwell on such phenomena as the destruction of the ozonc layer and to conclude with recommendations on the drafting of a set of environmental protec-

on the Community's interna-tional role has already been considerably modified after consultation between Athens

One of the key messages of the text is the assurance directed at non-EC countries ests and that the intention is to create not a fortress Europe,

According to Mr Pangalos, human rights and backs the further development of East-West relations.

N IN

WALL:

Malta F

for negs li Costras da ma

FINANCIAL TIMES

Published by the Financial Times (Europel Lid., Frankfurt Pranch, repre-sented by E.Hugo, Frankfurt/Main, and, as members of the Buurd of Direc-turs, F. Barlow, R.A.F. McClean, G.T.S. Damer, M.C. Gorman, D E.P. Palmer, London, Printer, Frankfurty Societaets-Druckerrei-GmbH, Frankfurty Main, Responsible editor: G.D. Owen, Financial Times, Bitchen House, Can-non Street, London EC4P 4897, 9 The Financial Times Ltd, 1988.

FINANCIAL TIMES, USPS No 1906-00, published daily except Syndays and holidays. US subscription rates \$365.00 per annum. Second-cluss post-age and at New York NY and at addi-tional mailing offices. POSTMASTER, send publics change to: FINANCIAL TIMES, 14 East 60th Street, New York, NY 10022.

Financial Times (Scandinavia) Ltd. Ostergade 44. Copenbagen. DENMARK

the second s

MIKHAIL GORBACHEV'S out of 2,250) will be elected by "public tutional reforms produced a gigantic organisations", thus reinforcing the hold constitutional reforms produced a gigantic mailbag for the Supreme Soviet in Moscow of the Communist party and its affiliates, like trade unions, the youth league etc. The deputies did not change the basic - more than 300,000 letters in barely a

Old habits die hard as Kremlin plays its

constitutional cards close to its chest

rule, but agreed that the numbers from each organisation should not be written into the constitution. They would be written into the election law instead, thus making it rather easier to alter them. A second amendment published sought

to reassure the restive Soviet republics. It concerned the power of the new Congress to decide exclusively the composition of the Soviet Union, and the formation of new autonomous republics and regions. The amendment changed the words to say that the Congress could decide only "mat-ters of national-state structure that are within the jurisdiction of the USSR."

Supreme Soviet on Tuesday. And yet only a handful of those amend-ments have yet been revealed, even now that the reforms have been finally agreed. Even leading members of the Supreme Soviet had not had a chance to read them when the constitution was one of a old Oddi The only other change revealed - at a crucial time when the three Baltic repub-lics, and Armenia and Georgia were all voting to oppose key elements – was to stop it being the "exclusive prerogative" of the new Congress to repeal republican leg-islation if it were deemed to offend against the constitution.

A week later, last Saturday, the presidium of the Supreme Soviet met in Moscow, and agreed a string of amendments -almost certainly those decided by the constitutional commissions, and perhaps a few more. Nn details were published. Over the weekend, however, the newspa-

session: "Many things gave rise to ques-tions," be said. "Why? Because we didn't care to explain their meaning. The centre per Arguments and Facts, a restricted-circulation weekly, gave a few more hints of what was in the mind of the leadership. For example, it was proposed that judges should not be elected by local Soviets they would be less likely to be genuinely independent - but at higher level.

the Supreme Soviet, which agreed on 40 changes. Only three were published, in Pravda, the party newspaper. One concerned the composition of depu-ties to be elected to the new Congress of People's Deputies – the new super-par-liament. One third of their number (750 as a standing parliament with sittings last-

. .

ing several months - would have its powers somewhat circumscribed.

It would no longer be expected to lay down "basic guidelines" for the republics, but only "general principles". More impor-tantly, it would no longer be able to deter-mine "the legal status of social organisa-tions," which the Baltic states feared might mean the banning of their new popular front movements.

This was still a long way short of the "more than 40 amendments" which had been agreed behind closed doors. Nothing more emerged when the Com-munist party central committee held a pie-ners ession on Monday A complete

nary session on Monday. A couple of details were given by Mr Anatoly Luky-anov, Mr Gorbachev's close constitutional adviser, on Tuesday. But his main advice was to "read Arguments and Facts." Finally at the closing session of the

Supreme Soviet yesterday, minutes before the deputies were set to vote, Mr Georgy Razumovsky, chairman of the constitional commission, revealed a few more of the

commission, revealed a few more of the details about to be agreed. Instead of insisting that in future "peo-ple'a deputies shall be released from their employment," the constitution will read "may be released." The rules for protesting to a new "con-stitutional control committee" will also be extended - to allow republics to complain about actions of national bodies.

about actions of national bodies. And finally he revealed an amendment promised by Mr Gorbachev, as one way to restrain the power of the executive presi-dent. "Officials can be relieved of their posts if they fail adequately to carry out their mandate," the constitution will read. No doubt Fravda will carry an arbitrary selection of all that today, just to let peo-ple know what has been decided for them. It is not quite democracy, but, as Mr Gorb-achev said: "All of us are learning our lessons. We are all in the school of democ-racy. We must learn to be good popils."

....

Azerbaijan crisis talks in Moscow

By John Lloyd and Quentin

MEETINGS WERE called for last night in the Kremlin between the Communist party leaders and the leaderships of Armenia and Azerbaijan, amid clear signs that personnel changes in those republics were afoot. The meetings came at the

end of a day in which the offi-cially admitted death toll rose to 28 - including Armenians, Azeris and Soviet soldiers -and as more than 20,000 refugees have crossed the borders in each direction to escape DOGLOIDS.

Mr Arkady Volsky , the central committee's emissary to Nagorno-Karabakh, the Armenian enclave in Azerbaijan which has been the trigger for the present and earlier distur-bances. told the USSR Supreme Soviet yesterday that the two repoblics were now

"boiling", and that "when the law is being violated and when blood is being spilt, the state cannot be a bystander." The situation is now offi-cially admitted as being critical. In reports in some of the

main newspapers yesterday, a picture was painted of the two capitals - Bakn in Azerbaijan and Yerevan in Armenia being under seige from refu-gees, gripped by waves of strikes and now under tight martial control, with curfews operating.

In Baku, the remaining Armenians are besieging Aeroflot offices for air tickets out.

*----

cuss the subject of a European audio-visual policy and the

The vulnerable state of health of Mr Andreas Papan-dreou, the Greek Prime Minisreports that large political gestures are likely to be in short supply

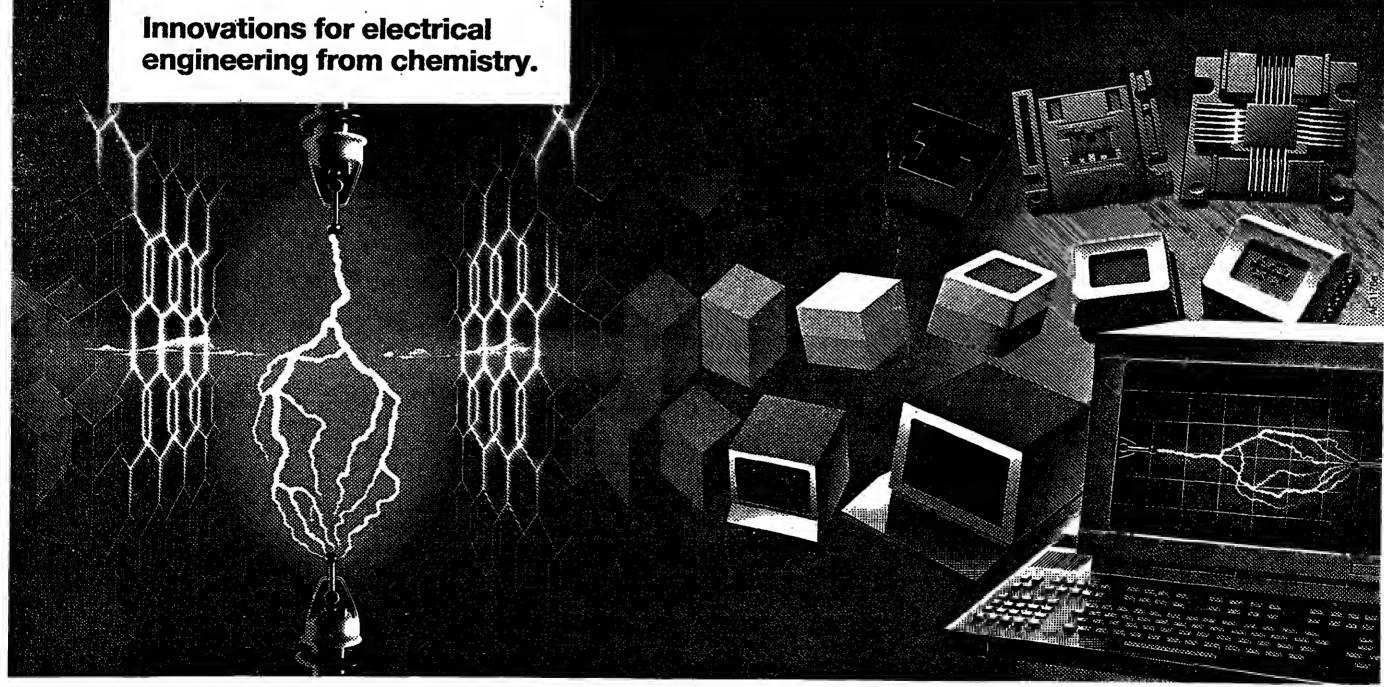
development of Community

Greece's original ambitious plan to launch a package of directives on social issues designed to complement the technical aspects of the single tion principles. The text nn the declaration market has more or less found-

ered on the twin rocks of Brit-ish opposition and less-than-fiery backing from the Commission President, Mr Jacques Delors. By way of consolation offi-cials in Athens say the Greek Presidency can at least claim to have kicked off a debate on and the other 11 capitals.

that the single market will serve, not threaten, their interbut a partner Europe.

According to Mr Fangalos, the text dwells on the EC's relations with both the US and the Comecun cnuntrics, stresses the need to boost the role of the United Nations, affirms the EC's support of



Clearly, the products of electrical engineering are in the forefront of progress.

But new developments in the industry call for even greater innovation. Especially in the miniaturization of appliances, in the creation of components able to withstand extreme stresses and in the need for increased safety and cost-effectiveness in production.

Which brings us to BASF. We are working with the industry to help meet its many challenges.

For example, electrically conductive plastics will provide new stimuli in storage battery technology.

And, conversely, chip carriers, produced from special polyamides, protect sensitive electronic components against electrostatic charges.

Precisely the sort of innovation one has come to expect from BASF. For we have one of the world's most extensive ranges of plastics, and offer customized materials

ranging from cable sheathing to appliance housings. Plastics are far from our only area of innovation, however. Case in point: computer keyboards.

A new development in keyboard technology-LCD keys-provides access to as many as 40 character sets with a total of 4000 characters.

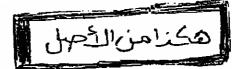
Teamwork between the chemical and electrical engineering fields can spark the solution to problems faced by both.

And we aim to be an important and innovative part of that world-wide team.

BASF Aktiengeselischaft · D-6700 Ludwigshafen

The Spirit of Innovation.





EUROPEAN NEWS

Lenin yard closure signals end of shipbuilding era

Christopher Bobinski reports that a Soviet orders boom turned out simply to be prolonging an agony

S the sign on the Lenin shipyard in Gdansk came down yesterday the shock waves were still reverberating from the Polish Government's decision to close the yard. The restructuring of a plant this size, with all the attendant economic, political and social implications, will be the first for the Communist bloc since the war. For Mr Zdzisław Miedziarek,

Poland's Deputy Industry Min-ister, who has been studying how to prune the country's shipbuilding industry since May, the decision is a logical consequence of chronic labour shortages and a looming energy crisis. The prospect of power short, siges within the next few years,

be argues, mean that energy-intensive steel output has to be cut. Decisions have already cut. Decisions have already heen taken to limit capacity at three Polish mills. These new policies not only mean savings in Trun ore Imports from the Soviet Union and the prospect of purchases of higher quality ores from producers such as India but further showing a India, but further closures wherever there is a heavy steel input such as production of rail rolling stock. For the moment the Govern-ment has ridden the protests

from the opposition and its economists. These have argued that the decision was a purely political one aimed at depriv-

ing Mr Lech Walesa, the Soli-darity leader, of a power base which twice this year has gone on strike to support the union's demand for legalisa-

The movement has pointed out that, were the figures to be taken seriously, then the yard, which was subsidised to the tune of Zi 7.6bn (£8.3m) in 1986 and ZI 4.9bn in 1987, is coming out of the red this year and other industries and shipyards were in a worse situation.

Both Solidarity and the ship-building lobby, which is also arguing against the closure on economic grounds, raise the vexed point of the Comecon pricing system. This uses a rouble which is grossly over-valued against the dollar and thus hurts Polish exporters, whose prices in roubles on the Soviet market are fixed on the basis of average world dollar prices over the previous five years. The system favours Poland

in imports from the Soviet Union - little consolation for a shipyard which in the past has been required by the Govern-ment to fulfil Soviet orders and ment to mini Soviet orders and is now expected to show a profit. Professor Jerzy Doerfier, an unquestioned expert on the industry in Gdansk, has even suggested that ships should simply be traded to the Soviet Dutin for dollars mure and sim

Union for dollars pure and sim-



Under sentence of death: cranes at the Lenin shipyard in Gdansk

In any case the yard still has two years in which to finish the Rouble 280m (2559m) Soviet orders, due to be delivered between the middle of this year and the end of 1990, and deliver \$65.2m (£35.6m) worth of vessels due to Western customers. The orders due for delivery agony. after that date, worth some Roubles 390m and \$120m are to be renegotiated and placed either at the other three

remaining Polish yards or sim-ply cancelled The implication is that Poland will be selling fewer ships than the 301 vessels pen-

cilled in by the Soviets for the next five year plan beginning in 1991 and this marks a major

plans to build refrigerating change of emphasis, Indeed, Mr equipment on the site by Igloo-Mieczyslaw Wilczek, the Induspol, an ambitious state-owned try Minister, said in a recent Polish newspaper interview: "We thought that Soviet orders for the yards were a boon but in fact they only drew out the food processing company. These ideas have been around ever since the summer, when the Government first signalled it wanted change at the yard.

"The trouble with managers of my generation," says Mr Miedziarek, who headed the giant Cegielski works in Poz-nan which also makes ships' Over the next 24 months the ships now under construction at the Lenin yard will be fin-ished under the auspices of a joint company with the neigh-bouring Northern shipyard, engines, "is that they are incawhile remaining capacity on the 139 hectare site is to be pable of thinking in terms of return on capital invested." Manage turned to other uses.

content, he implies, to see their plant 60 per cent utilised because of the shortage of workers and never thought of The most advanced plans include bringing television set production into one of the yard's unfinished sheds and

selling off or even leasing excess capacity to make extra money - meanwhile delivery dates of ships being built at the yard were lengthening, the industry was in recession and the yard's finances were a

It was only under government pressure that management at the yard began to plan a restructuring programme. Now the shipbuilding lobby, which was stunned by the closure decision, is hoping to adapt that plan to the new situ-ation. Mr Czeslaw Tolwinski, the yard's manager and in charge of the closure, is working towards retaining ship-building capacity on the site with employment cut from the present 10,600 to some 4,000 to 5,000, ready to take advantage of the present upswing.

"Let them get on with finishing the orders they've got at present," Mr Miedziarek says, "then in a year's time we'll look at the market and examine the pros and cons of keepine the pros and cons of keep-ing a smaller yard in addition to the three Poland still has." In any case, Mr Miedziarek adds, he is still looking closely at the nearby Gdynia yard with its more modern equip-ment. Were it to attract redundant shipbuilders from Gdansk then it could improve its results. Otherwise. Mr Miedziarek warns, it could be the

ent at the yard was

All the target

Tourism earnings boost Turkey's economic fortunes

By Jim Bodgener in Ankara

TURKEY'S CURRENT account showed a small surplus of \$20m in the first nine months of the year, indicating that the country's balance of payments is in its healthiest state for several decades.

According to figures released this week by the central bank, record earnings from tourism of \$1.6bn (a rise of 41 per cent over January-September 1987) were the main reason for the improvement.

The export drive which has contributed most to narrowing the trade gap in recent years has shown signs of moderating in the second half of this year, in the section has defined as the section owing to the Govern-ment's austerity programme. Nevertheless, the increase in visible exports was still healthy: they totalled \$8.1 bm in the first pine worths of

in the first nine months of 1988, a rise of 18 per cent over the corresponding 1987 period. The slowing of export

growth in the second half this year was matched by a fall in imports, reflecting declining demand for raw and semi-finished materials. Imports rose by 12 per cent to total \$9.9bn in the January-September period. The trade deficit narrowed by 9 Saracoglu.

per cent to total \$2.01bn. The current account is about the only bright spot on a fairly bleak economic horizon for the Government of Mr Turgut Ozal. Its biggest challenge at present is bringing down rampant domestic inflation of 86.4 per cent in the year to the end

of October. However, Turkey's credi-tworthiness still seems assured in the international banking community despite onerous external debt servicing total-

ling \$7.3bn in 1988, falling marginally to \$6.9bn next year. The medium-term trend seems favourable, especially given that debts rescheduled in the early 1980s will be finally paid

off next year. The central bank's foreign exchange position is probably stronger than it has ever been in the past 15 years, according to Mr Rusdu Saracogln, the

governor, in a recent interview with the Financial Times. In addition, the central bank's deposits with interna-tional institutions were sufficient to cover an end-of-year peak in external dues of around \$1bn, and January's bill of around \$300m, said Mr

EC debate strains Austrian coalition By Judy Dempsey in Vienna

AN UNSEEMLY row has broken out in Austria's Socialist-led coalition, threatening its unity, as the Government pre-pares to decide on whether to apply to join the European

ing place against a background . of growing differences between

the two parties as to whether

and when Vienna should apply

The report concludes that Austria should consider apply-

ing to Brussels. In the light of the BC's internal market, no gramme, Austria needs to be

involved in the BCs decision-

Community. It involves Mr Franz Vran-itzky, the Chancellor and leader of the Socialist Party (SPOe), and Mr Alois Mock, the Foreign Minister, Vice-Chan-cellor and head of the conser-vative People's Party (OeVP). The dispute is over which of the two should present a report on Austrian relations with the EC to Parliament. But it is tak-

to join.

(Scanil rarrat Im 40. Constants.



ortan: and

DO LUCH STI

e team.

R 2 1988

mit

ling on how selors pushes t of thoray insufficient to have been attier contain

ntier controls disation How-to Mr Panga-esidency does enactment

enactment in

ent acrimoni

tatcher-Delors

ture shape of

officials also

e Presidency o avoid such a

in the environ

d to dwell on

ena as the

se ozone layer

i with recon-

mental protec

the declaration

nity's interna-aiready been nodified after

tween Athens

ey messages of he assurance

a-EC countries

e market will

ten, their inter

e intention is to

ortress Europe

) Mir Pangalos

is on the EC's

in countries, sed to boost the inited Nations,

C's support of and backs the

pment of East

TAL TIMES

be Finished Des anklast Bruch som 60. Franklast Mar of the Bland of Des 6. R.A.H. Victor M.C. Gornia D.S. Printer Filiphian States House Co Bracken House Co Bracken House Co Bracken House Co

TIMES USPS N

I data contration is with an training and Second and a sec-front POSTONIE angle to POSTONIE angle to POSTONIE angle to POSTONIE

alloope.

I capitals.

making process, it says Mr Mock delivered the report to the Government on the grounds that the EC issue is in the domain of foreign policy. It was assumed until meanther d until recenti

the SPOe's left wing to exert more leadership in the Government. In the words of one Socialist deputy, he should "stand up to Mock."

> about personannes: there are also ideological issues at stake. While Mr Mock wants Austria to apply to the EC as soon as possible, the SPOe's left wing, led by Mr Heinz Fischer, is d to Austria applying at all. With the apparent aim of playing for time, they are insisting on more fact-finding reports on the EC.

The left-wing faction. weaned on a foreign policy tradition that was oriented more towards the Middle East and a North-South dialogue than to Western Europe, realise full membership would entail a re-alignment of Austria's external

relations. SPOe and OevP officials say the row is causing serious damage to the fragile coalition. And they are suggesting that some left-wing Socialist depu-ties could force the issue to the point where early elections have to be called.

But the dispute is not just about personalities: there are



There is a lot at stake for a company

Whether across town or across the

The need to avoid any disruption in

This calls for a full understanding of

Our input in terms of knowledge and

trading. The need to ensure that customers

the company's brief. In fact, at Edward

Erdman we'd like you to call us in before

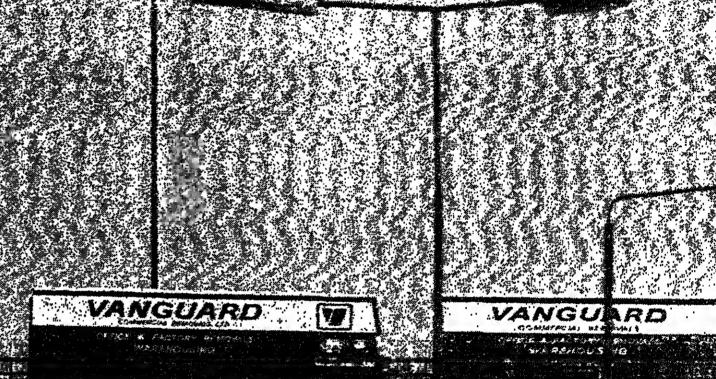
experience of the office market will be

when it has to relocate its offices.

and staff are fully involved.

the brief is drafted.

country.



eren er i som er i s

that he would also present it to Parliament for debate. But, SPOe officials are now arguing that this prerogative belongs to Mr Vranitzky, who has announced plans to set up a fresh ministerial commission ider EC membership. to con Mr Vranitzky is coming under renewed pressure from ...

ently believe their party could increase its share of "gree votes on the strength of their anti-EC platform. But OeVP officials, along with main-stream Socialists, acknowledge that the only winners in an election would be the far-tight Freedom Party, led by the pop-ulist Mr Jorg Haider.

Malta lays welcome mat for offshore traders

By Godfrey Grime in Valetta

MALTA IS offering generous incentives and a guarantee of secrecy to banks, insurance scarcely to panks, insurance companies, shipping concerns and investment trasts in the hope of rivalling Gibraltar and Cyprus as an offshore financial

and traing centre. At the same thue, the island is determined to confine regis-trations to reputable compa-nies and keep "fly-by-night" bychnesses away.

businesses away. However, guaranteeing that no unsavoury outfits slip through the net may strain Malta's limited administrative mana's mined administrative resources. If this proves to be the case, the island may seek further help from Chase Man-hattan, the US bank which it The secrecy of legitimate off-shore activity is to be safe-guarded by stiff penalties, including imprisonment, for transgressors. But the authorities retain the right to step in in the event of gross misbehavfour, such as drag trafficking. Even in those cases, any triis would be held in comerci before judges sworn to secrecy. The package of incentives flat 5 per cent on self-assesse

returns, and investment portfo-lios and ships registered locally can be classified as. "non-trad-

can be classified as. Individua-ing" entities and thus be virtu-ally free of tax obligations. Unlike "onshore" Maltese banks, offshore banks will not be controlled directly by the central bank: they are exempted from keeping reserve funds locally or maintaining specified assets.

Nor are ofishore insurance companies thight to create a margin of solvency or maintain a security fund. Blanket concessions include exemptions from exchange control regula-tions, death, donation and

stamp duties. Offshore insurance firms, in contrast to their Maltase counterparts, are being spared the obligation to keep 40 per cent of gross premium income in Malta, and they may transfer shares, or alter their memorandum of association without prior ministerial approval. Nominee companies will offer the Maltese an opportu-nity to work with offshore operators. However, the nominee firms will be held account-able for any breach of the law itted by their partners. CON

MOSCOW NARODNY FINANCE B.V. U.S. \$100.000.000.-

MOSCOW NARODNY BANK LIMITED

1986 to 3082 Mary 1969 included (192 days) the flotes will m. The coupon of a Note for U.S. S 10.000,tor U.S. \$ 260.000- will be U.S. \$ 12.241.02 a t1.5. # 480.78 and of a b nal be Stat May 1 nt Sent Age na S.A

invaluable at the formative stage.

A thorough evaluation of alternative locations and sites is backed by a review of economic and demographic considerations.

NOT DISLOCATION

RELOGATION

The subsequent decisions about property options can then be made quickly and effectively.

Companies large and small entrust their property needs to Edward Erdman.

Recently we have worked with three banks, two nationalised industries, two television companies, an oil company and

a telecommunications multi-national.

At Edward Erdman we not only help you decide on your requirements with well researched and thought out recommendations, but also make relocation a swift and smooth transition.

Call Peter Fineman on 01-629 8191.



International, Investment, Financial, Building, Research, Project and Professional Consultants. Property Managers, Agents and Valuers. Edward Erdman, 6 Grosvenor Street, London W1X 0AD, Telephone 01-629 8191. City Office, 45/47 Comhill, London EC3V 3PD, Telephone 01-2363611. Scottish Office, 242 West George Street, Glosgow G2 4QY, Telephone 041-221 8345.

EUROPEAN NEWS

Nato to study Bonn W German economy grows strongly in third quarter idea for multi-nation

By Andrew Fisher in Frankfurt

WEST GERMANY'S economy grew by 3.4 per cent in the third quarter, reinforcing the upbeat tone of recent forecasts and following a string of favonrable profit and order statements from leading com-

statements from leading com-panies. The third quarter advance in gross national product comes after rises of 4.3 per cent and 3.4 per cent in the first and second quarters respectively. On a quarter-to-quarter basis, the July-September period churged a seconally adjusted 1 showed a seasonally adjusted 1

per cent gain after nil in the second quarter and 1.5 per cent in the first.

economic growth was broadly based. Thus, growth of 3.5 per cent, the figure agreed on by the Government's council of composing advisors and other The expansion contrasts strongly with the general pessi-mism expressed at the start of economic advisers and other economists, looked very probathe year before the benefits of a mild winter, the weaker D-Mark, low oil prices, and the capital investment boom in This result, the ministry

noted, would be the best since 1979. Last year, GNP grew by Europe began to be feit. The figures released by the Federal Statistics Office in only 1.7 per cent, prompting widespread calls, notably from the US, for some form of West Wiesbaden were taken by the Economics Ministry as confir-German economic stimulus to promote overall growth and mation that West Germany's thus help reduce the country's

The snrpinses have increased this year, however, as exports have responded to the weaker currency - the the weaker currency - the D-Mark fell hy 8 per cent against the dollar in the first 11 months of 1988 - and to the surge in demand for capital goods, of which West Germany is a leading producer. The machanical environment indus mechanical engineering indus-try association reported a 12 per cent inflation adjusted rise in new husiness in August-Oc-

large surpluses by boosting imports. tober over last year, with rises of 8 per cent at home and 16 per cent from abroad.

Leading bankers have expressed optimism about the West German economy in the past few days, though 1969 is widely expected to see a slow-down in growth to between 2 and 2.5 per cent. "It has not been so pleasant to talk about the economy for a long time," said Mr Wolfgang Roeller, chairman of Dresdner Bank. With a fnrther DM40hn (£12.5bn) of tax cuts due in

1990, the upturn was secure

until then, be commented. Mr Walter Seipp, chairman of Commerzbank, said the main growth force in industry next year would again be the capital goods sector, which had nearly enough business to cover production in the first half of 1989. With European industry keen to modernise plant and equipment in readi-ness for the unified EC market after 1992, he saw continued opportunities for West German engineering.

A WORKING group, headed by General John Gaivin, Nato's Snpreme Commander in Europe, is to look into a West German proposal for a new international airborne division

international arround division to strengthen alliance capacity for rapid intervention. The division would be cre-ated by the four European countries in Nato's Northern Army Group – West Ger-many, Britain, Belgiam and the Netherlands. The UK is taking a cantious The UK is taking a cantious approach, saying that it Beeds to consider in detail how oper-ationally useful a force of this

kind would be in practice. General Wolfgang Altenburg, the West German chairman of Nato's military committee, said the Bonn initiative could be seen as a response to US calls for Euro-pean allies to shoulder more

reduce sharply large-scale mili-tary manoenvres in an attempt

to reduce damage and inconve-mience for local people while

It was also announced in

Brussels that Nato's military

committee would consider

reducing the number of exer-cise and low-flying runs by the alliance in the Federal Repub-

The Nato move was dis-

closed by the committee's chairman, Gen Wolfgang Altenburg, who said there was

no timetable for a decision.

"We are at the very beginning of examining this," he said,

adding that the allies must

weigh their training require-ments against the burden

Under Bonn's unilateral

move, the West German Bun-

deswehr will reduce the num-

her of hig exercises from 21 in

1987 to less than 10 in 1990, and

imposed on local people.

lic.

maintaining troop readiness.

airborne division By David White In Brussels defence responsibilities. It should help the US admin-

istration to argue the case for maintaining its own capabili-ties in Europe, he said. In another important sign of allied willingness to share

costs, defence ministers were expected to agree on common funding for the transfer of the US 401st Tactical Fighter

US 401st Tactical Fighter Wing, comprising 72 F-16 fighters, from Torrejon, near Madrid, to Croione in Haly's Calabria region. General Altenburg said the military committee was to make a progress report on the international division proposal by next automn.

by next autumn. Under the West German initiative, other nations might participate, but General Altenburg emphasised that it was conceived as "an additional European defence effort."

Bundeswehr plans to hold fewer big manoeuvres

By David Marsh In Bonn and David White in Brussels

THE West German army is to Defence Minister, is understood to have caused some resentment among the military establishment in other Nato countries which keep troops and train in West Germany.

The West German army and the other six countries with a military presence here hold around 80 large exercises s year across open country, with more than 2,000 troops. Nato figures show more than 80,000 jet flights at below 1,500 feet take place over the country every year. The British army, which last

month carried out Exercise Iron Hammer with 24,500 troops in north Germany, meanwhile called an effort to improve understanding with local residents an enormous SUCCESS

• The West German Bundestag (federal assembly) yester-day approved hy a heavy majority the establishment of a Franco-German defence council foreseen in a government agreement last January. Mr Hans-Dietrich Genscher, the Foreign Minister, said the council was a "building block in the architecture of Franco-German friendship".

De Benedetti gives sombre warning on 1992

By John Wyles and Alan Friedman in Rome

THE European Community's political institutions will need developing and strengthening if the 12 are to cope with the toll of "dead and wounded" companies which will follow the opening of the single internal marke

This sombre warning of the future lying ahead for the many EC companies still inad-equately preparing for 1992 was given to the FT Conference by Mr Carlo De Benedetti, chairman and chief executive of Olivetti. His call for swifter institutional developments at a Community level to deal with the problems lying ahead was echoed later by Mr Denis Healey, the former British Chancellor of the Exchequer, who saw protectionist dangers and a possible breakup of the EC system withont political

Mr De Benedetti believed that many American and Japanese companies operating in Europe were better equipped to exploit the single market. Many US companies have a "better articulated European network," while the Japanese - whose top 19 industrial groups have a total liquidity of \$60bn - were making invest-ments and acquisitions in Europe that were "only the beginning of a trend."

"Fortress Europe" was not a concept of much importance to European companies, affirmed the Olivetti chief, because they would face a competitive strug-gle with Japanese and American giants "which will have strengthened or constructed a solid production and commercial base in Europe."

European companies were

being slow to internationalise their activities and they were encountering strong obstacles to restructuring across national boundaries. At a coun-try level, clear "asymetries" were emerging, especially between the countries with Germanic and Latin cultures. Those feeling threatened by 1992 were now using "stronger forms of protection." Compa-

nies have begun to adapt their manufacturing structures to

'European companies are being slow to internationalise their activities and are encountering strong obstacles to restructuring across national boundaries."

global markets, but the institutional system was failing to show a similar understanding, said Mr De Benedetti.

Mr Healey warned of the difficulties of avoiding protection-ism in Europe after 1992, Having removed barriers to competition from within the EC, the countries of Southern Europe would be reluctant to open up to Japanese and American competition.

A flow of resources to the South would have to be guar-anteed "to cushion the shock," said Mr Healey, arguing that would lead to "the reduction, "you can't have a European not the raising" of external market without a European barriers. Monetary problems, which will flow from the freeing of system." Referring to warnings that half of Europe's manufacturing plants will face closure post-1992, he added: "Yon have capital movements, could only to produce an institutional structure capable of dealing with the strains or otherwise it will all break down.

The former Labour Minister work to strengthen its deci-

said that Europe was mistakenly trying to assure the US that Japan would be the coun-try to suffer from any barriers democratic legitimacy. Mr Samuel Brittan, assistant editor and principal economic commentator of the Financial Times, agreed with Mr Healto its market. "I believe it is a horrible mistake for Europe to

believe it can offend Japan as ey's views, adding that "erectmuch as it likes. . . Japanese power in the economic field is ing a lot of barriers to keep out American and Japanese prod-ucts would be madness." Mr. potentially overwhelming." The various scenarios for dealing with the US trade defi-Brittan then went on to say that a free trade area without a monetary component "would not justify the term, 'single market." He said that a single cit were "very worrying," said Mr Healey. If the US did noth-

European market might not, European market might not, strictly speaking, need mone-tary unification, hut "it will benefit from having it." Mr Brittan criticised the UK for "dragging its feet" on the monetary union issue, but pointed out that "this is hardly a next experience in Furgment

a new experience in European development - the lesson ing, Japanese and German funding might dry np. If it adopted a five-year deficit since the Treaty of Rome is that it is better to go ahead without the UK, which will later come knocking on the reduction programme, other countries would have to take \$250bn more of US manufacturing exports, of which Europe would have to take half. door." The "Euro enthusiasts," however, had done a disservice Earlier, Mr Bettino Craxi, to their cause by their exces-sive emphasis on a common ader of Italy's Socialist Party, had also stressed that redistri-bntive policies would be currency and common central bank. Some such institution eeded in the post-1992 EC. He along the lines of that favoured by the West German Bundesbelieved that the development of a common European policy towards the rest of the world

bank would be helpful, But what is needed in a "monetary union" is an area of permanently fixed exchange rates, with no exchange controls or other institutional bar-riers to the free movement of capital, said Mr Brittan.

be dealt with by further moves Miss Haruko Fukuda, a towards monetary unification, said Mr CraxL After 1992, there director of Nikko Securities, expressed her concern at what would need to be a reform of she termed "a strange sense of the EC's institutional framefear of Japan and her economic power on both sides of the

sion-making capacity and its Atlantic." Miss Fukuda ridiculed the notion of "Japan buying the whole world" and pointed out that in terms of trade, despite much talk, Japa nese exports to the EC com-prise only 16 per cent of total Japanese exports. The Nikko director also decried the more than 130 discriminatory quantitative restrictions being imposed against Japan by several European states.

The Japanese, Miss Fukuda said, were gravely concerned about the risk of a Fortress Europe. Japan did not plan to buy up the best companies in Europe, but it did wish to make direct investments. And the Japanese "are presently terrified of being rejected" in Europe. The Nissan plant in the UK and suggestions about the Community content of Nis-san's Bluebird model was the

Delays in Italy in adjusting to the requirements of the new internal market were strongly criticised by Mr Romano Prodi the chairman of IRI, the giant state holding concern.

The Italian public sector was being required to compete with private industry, but the coun-try was backward in achieving mergers between public companies. Italy could not compete on an equal basis if it failed to

achieve such mergers. Describing Britain's economic recovery in the 1980s, Mr Leon Brittan, the Conserva-tive MP who takes over as one

of the UK's European Commissioners in January, said that the turnaround had been both measurable and psychological. In a speech in which he explicitly supported putting

CONFERENCE European business forum: 1992 and after

sterling into the EMS exchange rate system, Mr Brittan said that UK inflation had been brought under control, the sup-ply side stimulated by tax cuts, and a large number of nationalised industries transferred to

growth had become "unsus-tainable." Mr Brittan thought it probable that continuing high interest rates and prudent public spending would do the trick in improving the balance

However, the need for fur-ther fiscal action and even direct controls on consumer credit could not be excluded if the balance of payments was

private ownership. Bnt the cnrrent rate of of payments.

ther into EC territory. Mr Guido Carl, the former Central Bank governor and chairman of Impresit, Fiat's civil engineering subsidiary, discussed monetary and fiscal policies in the context of 1992 and said that the restructuring

of the European economy would see a trend towards more privatisation.

not improving by next spring. In a speech read on behalf of Mr Michael Von Clemm, the chairman of Merrill Lynch cap-ital markets, was quoted as saying he was optimistic about the likely results of 1992 and called for the EC to guarantee the right of financial firms to expand their existing base fur-

fewer afterwards. However, lower-level training will continue across open country and exercises in restricted military training areas will increase. Announcement of the move by Mr Rupert Scholz, the

non. LJUNJ K WATSONS EUROCOMMENT

PAGES1&3 INSUBANCE IN THE NEW EUROPE PAGES 4.5 & 6 HARMONISATION OF PENSIONS IN EUROPE PAGES 7 & 8 WATSONS *★EUROPE*

INTRODUCTION

PACE 2

1992-THE SINGLE EUROPEAN MARKET

Watsons Eurocomment is a timely review of the European pensions and insurance scene, produced by Watsons Europe.

This new service from Watsons is available to all companies seeking advice on pension schemes. employee benefits and on European insurance markets in areas such as mergers and acquisitions.

Watsons Europe is the sole UK participant in EURACS, the extensive European network of leading independent actuaries in Belgium, Denmark, France, Germany, Ireland, the Netherlands, Norway, Portugal, Spain and Switzerland.

Together with a special team of Watsons partners who have wide European experience in advising companies and pension funds we can provide on-the-spot Watsons Europe is a service provided by R Watson & Sons Consulting Actuaries. R Watson & Sons is regulated by the Institute of Actuaries in the conduct of its investment but

actuarial advice throughout the European Community.

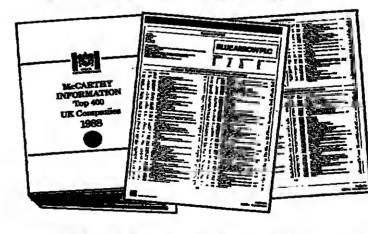
We're based in Watsons head office in Reigate, with access to comprehensive EC databases. If we can help you, please phone George Clare (0737 222892).

Please send me a copy of the first issue of Watsons Eurocomment.
Name:
Title:
Сопрану:
Address:
WATSONS
★ EUROPE
Watson House, London Road, Reigate, Surrey RH2 9PQ.

CORD BOOK ... and Lonrho and Barclays and Dixons and 396 other companies

The McCarthy Information Top 400 UK Companies - on your desk, by your phone, at your fingertips - your record book of Hanson and Amstrad and BP and GEC and Jaguar ...

It brings together, in one volume, a vital summary of news and comment from the world's leading newspaners and journals, to provide nothing less than a complete year in the life of the top 350 UK corporations and top 50 investment trusts. McCarthy Information's Top 400 UK Companies comprehensively covers every one of the UK's top organisations. Each company entry contains:



 Summaries of every important. 'story' in the past fiscal year, in chronological order, complete with the source and date.

 All stories are also presented classified under subject headings including mergers & acquisitions, contracts, appointments, and products.

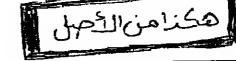
 A company profile detailing head office, principal officers, activities, five-year trading record, registrars, auditors and bankers.

1

From white knights to dawn raids; buying and selling, hiring and firing, profits and losses - the McCarthy Information UK 400 covers every significant item, from the world's top 60 business publications. And it gives you worldwide opinion, speculation and reaction – from the Wall Street Journal to The South China Morning Post – the full background to company moves, decisions and events. Every item is cross-referenced to the McCarthy Information Services, which can give you the full text of any story by phone, fax, hard copy or online. If you need to know what has really happened in the top 400 UK companies... order your copies now.

Published under licence from Tha International Stock Exchange. The Stock Exchange Press is en imprint of The international Stock Exchange of the United Kingdom and the Republic of Ireland Limited.

YES, Please reserve including p & p	copies of the Mc	Carthy Information Top 469 UK Companies	at £99.00 per copy
Name		Company	
Address			
	Post Code	Telephone	FT2
 I enclose a cheque for £ Please charge my credit of 	Please invoice me/my company. and: C Access/Mastercard Americ	an Express 🖾 Barclaycard/Visa	
Signature			
Please enclose this application	n in an envelope and send to: London & In	ternational Publishers I #4, 49 St James's Stre	at Fondon SWIA 1PT



AMERICAN NEWS

nn ion

R 2 1988

billties. the US some of the case for own capabilit. portani siga di postani siga di posta to share ministers were vee on common transfer of the rtical Fighter ising 72 F-16 Torrejon, mar ptone in liairi t

inhurg said the mittee was to to report on the dvision proposi

iest German in nations might rt General Alter sod toat it was nce effort."

to hold

res

in Brussels tister. is under ve caused some mong the military it in other Nato West Germany. Countries with ; esence here bold large exercises a

then country, with 2,000 troops, Nen V I more than some at below 1,500 fer over the country in army, which be

ried out Exercis mer will 24 north German called an efort nderstanding we ents at energy

si German Bana A assembly res oved by a seam Than delease com In in a doverter 1 1951 140 477. 2 rich Genscher, th Minister, said in

as a "building hit Shifteeture of Paus Mattin .

Suriname takes its civil war to task The Government must find a solution to a

crippling conflict, reports Canute James



President Shankar at his a accompanied by former military leader, Desi Buterse (left)

end the guerrilla war. Efforts to arrange a ceasefire with Mr Ronny Brunswijk, the rebel

leader, are being frustrated by the Suriname army which favours a military rather than

a diplomatic solution to the

leaders who get most of their

name, but have been at a stale-

mate ever since. Mr Brunswijk has been

reminding the Government

an airstrip. Mr Brunswijk is now demanding administrative control of parts of eastern Suri-name. Much to the discomfort of the French Government, the fighting has forced an esti-mated 8,000 Surinamese to seek

W HEN he took office 10 months ago, Mr Ram-sewak Shankar, Pres-ident of Suriname, set his administration two immediate turn contributed to a 6.6 per cent decline in Gross Domestic Product (GDP), following a fall of half a per cent in 1986. Exports fell 15 per cent last year, while a shortage of hard tasks. The first was to get the Netherlands to restore gener-ous doses of financial assis-tance which had been suspended five years earlier, and the second was to bring to a peaceful end the two-year-old insurretion in the act of the year, while a shortage of hard currency resulted in a 19 per cent decline in imports. Reduced revenues from mining left the fiscal accounts at the end of 1987 with a deficit equiv-alent to 28 per cent of GDP. International reserves ran out insurrection in the east of the country, which had crippled an already weak economy. in 1966 and arrears are mount-ing on a foreign debt of \$71m. The Dutch decision to The Government has again started getting ald from the Netherlands, but has failed to

resume aid to its former colony has brought some relief to the economy. When Suriname became politically independent in 1975, the Netherlands presented the new nation with a golden handshake of \$1.5bn, spread over 15 years. The Dutch suspended the aid after the military Government murdered 15 opponents in Decem-ber 1982, saying it would be resumed only when an elected civilian government was in

a componence solution to the dispute. With the support of exiled Surinamese politicians, Mr Brunswijk, a former soldier, harassed the former military government of Commander Desi Bouterse, Failure to kill office The Netherlands has now the insurgency and a steady deterioration in the country's economy eventually forced agreed to provide President Shankar's administration with \$760m in development assis-Commander Bonterse, who took power in a coup in 1980, to hold elections a year ago. Prestance. Some \$69m will be disbursed by April of next year, \$107m for the rest of 1989, and then \$107m per year. But there ident Shankar's government was installed last January.

Although he is no longer head of government, Com-mander Bouterse is still leader **President Shankar said** an end to the rebellion had to be based on talks with rebel leaders. Army leaders were

mander Bonterse is still leader of the army, and exerts a strong infinence on affairs of the Dutch-speaking republic of 400,000 people in north-east South America. He, and other leading army officers, have been openly ctiti-cal of the Government's approach to discussions. with Mr Brunswijk, despite Presi-dent Shankar's undertaking to bring the insurgency to an end. incensed and talks have been at a stalemate. The insurgency will divert attention from measures needed to hring the insurgency to an end. correct a tailspin in the President Shankar said an end to the conflict had to be economy. based on talks with the rebel

Rise of Left worries **Brazil's** politicians

By ivo Dawnay in Rio de Janeiro

THE routing of Brazil's dominant coalition, the Democratic Movement Party (PMDB), at last month's municipal elections has forced a major rethink on the centre and right as to who can stop the left in next year's presi-

rio de Moraes, Brazil's best known businessman and a perennial political hopeful, was urging President Jose Sar-ney and PMDB leaders to bury their differences of bury dential race Parties of all colours had long calculated that the man to beat would be Mr Leonel Brizola, the ex-governor of Rio de Janeiro and a leftwing pop-ulist in the traditional strong-man mould of Latin their differences and concen-trate on finding a candidate capable of stopping the America. They had never seriously hold a national congress next month to select its candidate

considered, however, that Mr Luis Inacio "Lula" da Silva, head of the socialist Workers' Party (PT) would make any-thing but a symbolic stab at

thing but a symbolic stab at the presidency. But after the PT's astonish-ing victories at the polls, which included the capture of Sao Paulo – the largest and wealthiest city in South Amer-ica – a clutch of important industrial centres and the conthern capital of Porto southern capital of Porto Alegre, nobody can deny that Lula, as he is universally known, is up and running. This week Mr Antonio Emi-

But a whispering campaign is now under way arguing that the 72-year-old party president is too frail to win the confidence of the public.

Instead, a growing lobby appears to be pointing to Mr Mario Covas, a former left-wing PMDB Senator who broke with the party a few months back to form his own, somewhat Fabian group - the Social Democrats (PSDB).

Leonel Brizola: old-style

populist left is under threat

The PMDB is scheduled to

with the veteran party leader, Mr Ulysses Guimaraes deter-

mined to win the nomination.

Fears of overheating ease in US

By Anthony Harris in Washington

A SLUGGISH 0.1 per cent October rise in the US index of leading indicators, and a revised 0.3 per cent fall in the September index, further reassured financial markets yesterday about possible fears of overheating. Reports from the member

banks of the Federal Reserve System on Wednesday, sug-gesting a cooling of activity, had provoked a strong rally in stock and bond markets. The figures for employment growth to be released today are likely to determine whether this rally is extended.

An analysis of the leading

indicators from the Depart-ment of Commerce shows that the revival in housebuilding, the firm stockmarket, rising consumer goods orders and falling unemployment claims pointed to growth. However, a speed-up in deliveries, weak materials prices, lower capital goods orders and a slight fall in the average work week all showed that the economy was well able to bandle the current level of demand.

The downward revision of 0.2 per cent in the September index was largely due to a sharp fall in the estimate for outstanding business and con-

sumer credit, which grew at an annual rate of only 4.1 per cent in the month – less than half the average rate for the previous six months.

The reports from the Federal Reserve member banks, which include information up to November 18, also suggest that demand pressure on capacity and in labour markets is easing. It caused some surprise in the markets, where the figures for housing, personal incomes and new jobs had aroused fears of overheating and higher iterest rates.

Most districts reported

slower growth, with export

strength. The slowdown was particularly marked in the defence and computer industries.

demand providing the main

Inflation pressures were also reported to be easing. Accord-ing to the report: "Despite gen-eral tightness in many district labour markets and reports of shortages of skilled worksrs, only moderate wage increases have been observed." It adds that "prices continue

to increase in many sectors, but the rises do not appear to be as large or as widespread as recorded in previous months."

Bush speaks up in defence of Tower

By Stewart Fleming, US Editor, in Washington

PRESIDENT-ELECT George Bush yesterday expressed con-cern over reports critical of former Senator John Tower, who is tipped to become Defence Secretary in the Bush Adminis-

tration. Mr Bush, at a breakfast with Senator George Mitchell of Maine, the newly-elected Dem-ocratic Senate Majority Leader, said the comments "may be burtful".

The meeting with Mr Mitch-ell is the latest in a series with both Republican and Democratic leaders in an effort to demonstrate his determination

to reach out to Congress, and particularly to the Democrats who control the Congress, in the wake of the bruising presi-dential election campaign.

Mr Bush told Mr Mitchell that he will take the lead in proposing solutions to the Fed-eral budget deficit, something the Democrats have been insisting upon, but there was no indication of when or how he would do this.

The meeting with Mr Mitch-ell yesterday followed sessions with House Speaker Jim Wright of Texas two weeks ago, Senate minority leader

Robert Dole on Monday and on Wednesday a highly publicised meeting with Rev Jesse Jack-son, the black presidential canson, the black presidential can-didate. Mr Jackson said yester-day he expects a "qualitative change" on civil rights in a Bush Administration, com-

pared with the Reagan era. Mr Bush's comments on Mr Tower followed speculation ebout whether the former Texas Senator would secure the appointment he is seeking as Defence Secretary. This week donbts on this

score have been increased by new reports about links

between Mr Tower's consulting business and major defence contractors and veiled criti-cism of his period as chairman of the Senate Armed Services Committee from former col-leagues on Capitol Hill.

On Tuesday Senator Sam Nunn of Georgia, the Democrat who chairs the committee, and Senator John Warner of Vir-ginia questioned the depth of the investigations by the committee into confirmation hear-ings for Mr Melvyn Paisley, the former chief of navy research

and defence who is accused of procurement fraud.

The Mersey's new investment banks

rebling the size of Merseyside Development Corporation's area provides exciting opportunities for investment.

The internationally acclaimed Liverpool Waterfront pointed the way. The Development Corporation had the foresight and the plans and the private sector seized the opportunity.

Today new enterprise flourishes thousands of new jobs have been created in hundreds of businesses within an area where millions choose to spend their leisure time. _Commitment and investment have turned visionary projects into reality.



mpanies ETUDS - FOUR

WSDEDOTS 200 as and ing 50 try one of the

mportan: VEAT. IN applete with

esented t headings coulsitions. Rs. and

stailing head TS, achivities. nd, registrars

M BESSES - CH No CO HUMPEN ber Wall Street Tres. Journal thich and site WOW WEAL NO

gens" of eastern Suriname. The Government's - attempts, to, court the leaders of the bosche-neger clans - descendants of slaves who escaped to the inteare now dark clouds over the bauxite mining, refining and aluminium smelting sector which has been restored after the rebel attacks. The Governrior - and get them to attend talks in Paramaribo, Suriment and the companies involved have disagreed over planned investments of \$150m. name's capital, have foundered on demands by the chiefs that Mr Brunswijk should be The industry is run by the Suriname: Aluminum Comincluded in the negotiations. The army leaders were incensed when government pany, a subsidiary of the Ahu-minum Company of America, incensed when government representatives met Mr Brun-swijk in neighbouring French Guyana in June. Talks had been arranged by Roman Cath-olic Bishop Aloisius Zichem, president of the Committee of Christian Churches of Suriand by Billiton, an arm of Royal Dutch Shell.

Both had proposed the investments to update ageing equipment and open new mines to replace those which will be exhausted in five years. The Government has baulked, however, at the companies request that they be granted some tax incentives, and that their operations be conducted at a more favourable exchange reminding the Government and the army that he has not changed his ways despite the change of government. The rebels recently attacked a paim oil factory, a timber mill and an airstrip. Mr Brunswijk is rate of Fl 3 to the dollar, against the official rate of Fl

1.77 An agreement between the Government and the compa-nies was initialled, but then attacked by several parliamen-tarians who argued that the lower exchange rate effectively subsidised the operations of the metal companies. They also said that if such concessions were granted in the min-ing sector, they would have to be given to companies in the country's timber and rice industries. A spokesman for the Aln-minum Company of America said his firm, and Billiton,

mated 8,000 Surinamese to seek refuge in French Guyana. The insurgency will divert the Government's attention from measures which are needed to correct a tailspin in the economy based on bauxite mining, refining, aluminium smelting, and the production of rice and timber. The mining sector accounts for 72 pär čent of the country's foreign earnings. Rebel attacks were waiting on the Govern-ment's next move, and that the foreign earnings. Rebel attacks investments would not be com-mitted until the Government on key mines and power lines led to a 45 per cent decline in changed its attitude. sector last year, which in

Travelling by air on business? Enjoy reading your complimentary copy of the Fin you are travelling on scheduled flights from

••• AMSTERDAM with British Airways, British Midland, Canadian Pacific Air, Finnair, KLM, Luithansa, Pan-Ant, SAS, Singapore Airlines, Thai Airways International, Transavia

. ROTTERDAM with NLM

FINANCIAL TIMES

Now Merseyside Development Corporation is poised to break further new ground in Wirral and Liverpool. More areas on both banks of the river are being opened up for enterprising new businesses.

The Mersey Waterfront has more potential than ever before. Future developments will rely on the same winning formula – vision and investment.

If you are hungry for success the Mersey's banks are the investment opportunity of the 1990's. It's a future in which you will have a leading role - starting now.

Profit from our experience - GET THE FACTS - Call Alex Anderson on 051-236 6090.



460

OVERSEAS NEWS

China's inflation Bhutto will be burdened with great expectations Christina Lamb reports on the hopes and fears for Pakistan's first woman Prime Minister rate expected converted PPP member in a House of 87, and could make difficulties in passing legisla-HE RICH industrialist Gen Aslam Beg, of the desir-ability of a "grand alliance" to reach 20% who hedged his bet hy giving money to both sides in Pakistan's recent elec-tions says he dreads the new People's Party Government. "Over night my workers will domaid hav piece confident have not gone unnoticed, and the party says their doors are

By Colina MacDougail

· · · · · · · · ·

CHINA'S inflation rate rose to tion hed "turned for the ChinA's imitation rate rose to tion hed "turned for the i7 per cent in the first 10 worse", criticised senior offi-months and may peak at cals who underestimated eco-around 20 per cent hy the end nomic problems. They were of the year, the State Statisti-comes nearly two months after China's ruling Central Com-mittee and State Conncil announced steps to freeze announced steps to freeze prices and investment following this year's rocketing prices, shortages and corruption.

This indicates a dangerously slow response to the new mea-sures, a trend confirmed hy Li Peng, the Prime Minister, at a national planning and reform conference in Peking on Mon-day. He signalled that many local officials are not supporting the government policy.

"Progress is rather uneven." Li said. "Improving the eco-nomic environment. . . will require certain hureaux and ministries to make some temporary and necessary concessions

This view was confirmed by Yao Yilin, tha Vlce-Premier, who, commenting that infla-ably quickened.

projects had been suspended to make a real difference, the Peo-ple's Daily pointed oot last week. Less than a quarter of those now scrapped were those on which work had started. The leadership is currently being undermined by its own past U-turns in policy. No-one believes the clampdown on investment will last long, the People's Daily said.

People's Daily said. Indeed, officials in charge of projects under construction "did a rush job of hullding day and night" to avoid the freeze, thus intensifying both inflation and the shortages, Peking radio pointed out in a report on

"Current trends of an over-eated economy and high con-the early autumn had subsided heated economy and high con-sumption heve not yst been curbed," he added, noting that there were many problems to there were many problems to if the 1989 price 3.5 per cent over September, 3.5 per cent over September, capital construction projects and consumption increased

demand pay rises, confident thet the Government is behind them," he said. The officer in charge of allo-cation of government develop-

ment loans has similar fears. "A political Government means that the politicians will have to reward those who elected them, and whose support they need to stay in power. Bureancrats like me

power. Bureancrats like me will be powerless to say no." The young, unamployed graduate in Western clothes who voted for the PPP against his parents' wishes has no such qualms. "The PPP Gov-ernment means jobs and free-dom to dance and wear what we want." we want." In the election campaign, Miss Benazir Bhutto, leader of



Miss Bhutto (right) with Gen Beg (left), Mr Mehbubal Haq and President Ishao Khan

deal with both a hostile Senate and opposition governments in two provinces.

There are lots of arguments to say that the Government will not be able to meet these hopes. The most potent is the fragility of the economy, with a debt totalling \$12.5bn and inflation spiralling past 15 per cent. Somehow, Miss Bhutto has to the PPP and Pakistan's new Somenow, Miss Bhitto has to find the money to pay for man-ifesto promises of new homes, free universal education, and a 6,000 per cent increase in Prime Minister, was careful to promise little, conscious that with the country on the verge of bankruptcy, austerity mea-sures are more realistic than power supply hy the end of the century, just for a start. A conservative estimate of

But, as the only party per-ceived as representing the poor, and with Miss Bhutto the cost of the first five years of implementing the PPP's pro-gramme for taking the country into the 21st Century comes to seen as Pakistan's Cory Aquino leading the way from the dark days of quasi-dictatormore than Rs210bn (£6.2bn) or 10 times the US aid package for ship to glorious democracy, expectations are high, impossithe same period.

bly so for a party which failed to win a majority and has to The PPP's economists have no easy answer for the source

By Chris Sherwell in Sydney

fully of increasing domestic savings from 9 per cent to 20 per cent, more effective taxa-tion and running a more hon-est and efficient administra-

an outsider and the To World Bank, the most obvious source of revenue would be the reduction of defence spending, presently 40 per cent of the budget and the introduction of land tax: 80 per cent of Pakis-tan's population is dependent on agriculture for income.

Miss Bhutto admits that the first is not viable "unless you want to invite in martial law," while to a new, inexperienced Prime Minister leading a Honse dominated by feudals, the idea of a land tax is inconceivable and the PPP manifesto is conveniently silent on the subject under a promising beading, "Abolition of Feudal-

of these benefits, talking hope-

. ..

The Government has only 60 days to pass a hudget, and until the year end to rstify a structural adjustment loan from the IMF for a much-needed \$1.3bn package.

With only a paper-thin majority in the House, dependent on independent and smaller parties, the upshot is likely to be little change on the economic front.

Lacking experienced person-nel, Miss Bhutto will have a small Cabinet with senior party members who lost the elections acting as advisers. She may retain Dr Mehbubal Haq, the present Finance Min-ister, whose policles find favour with the World Bank and other vital donors, if not with the domestic audience, and who will help her win sup-port in the Senate, which at continuity to retain credibility with traditional power brokers. Hints from the army chief, present has only one newly

Foreign policy, too, is likely to be more of the same. For open to anyone who accepts thair manifesto. They are Miss Bhutto to overcome the inherent distrust of Pakistan's unlikely to have long to wait, given the opportunistic nature of Pakistan's politicians, and all-powerful triumvirate of the an-powerful triumvirate of the military, bureancracy and President Ghulam Ishaq Khan, she has agreed not to tamper with the Afghan policy, announcing publicly that she will uphold the symmetry prin-ciple under which the US and Decision continue arming the the fragile unity of their main rivals, the Islamic Democratic Alliance (IDA), Once the PPP takes power. Miss Bbutto's lagal advisers say that the defection clause preventing MPs from crossing the floor is not applicable to the IOA because it is an elec-Pakistan continue arming the resistance as long as Moscow sends weapons to the Kabul tion alliance, not a party.

Cynics are already writing off Miss Bhutto as inexperi-Pakistan's Foreign Office is hopeful of a political settle-ment to the nine-year war with the forthcoming peace talks enced and high-handed, pre-dicting new elections within a year. However, the people have faith in her, and, while there may be liftle change in policies or faces at the top, there is a definite change in spirit. In Pakistan's sterilo capital, between Moscow and the Muja-heddin. For once, their view seems shared by the army and military intelligence who have been at the forefront of Afghan policy. Both the Afghans and UN officials say that to rock the boat now would spell disas-Islamabad, Western dress has suddenly replaced traditional pyjama suits. Stony faced waitter, and expect that Senator Yaquh Khan will continue as the Foreign Minister at least until the end of the Soviet withdrawal from Afghanistan

ers no longer lock restaurant doors at 10 pm, and forbidden dancing and disco music can be heard late into the night. Even the army has given Miss Bhntto a chance, and, while she may be young and untested, she is quick to learn in February. With the army on the sidelines watching for wrong moves, Miss Bhntto's main and represents the best chance Pakistan has had of escaping challenge will be to present the illusion of change to please her supporters, while maintaining

from the cycle of military and quasi-military rule which has dogged it since the country was created in 1947.

Miyazawa

likely to

•

r be ee

.....

•

6 3 M A

^

i •

..

• • •

• • •

::..

· .• :

·

,

Burma invites direct foreign investment

By Chit Tun in Rangoon

has issued a welcome for foreign investors, shedding a long-cherisbed closed-door pol-icy which 26 years of rigid application has proved irrational. Under a law promulgated yesterday, it has invited at rea-sonably attractive terms direct foreign investment in Burma, a country rich in natural resources

The law provides for two types of foreign investment: wholly foreign-owned enterprises, and joint ventures with a Burmese partner, who can be either an individual or a local nndertaking. In the case of joint ventures, the minimum equity share of the foreign partner is 35 per cent. No maxi-

mum is prescribed.

THE BURMESE Government Profits transferred to the reserved fund and reinvested in the enterprise within one year are also exempted from income tax. Accelerated depreciation of plant, equipment and buildings is allowed for purposes of income tax assessment. And if the products of the enterprise are exported, 50 per cent of the profits from the exports are exempted from income tax.

The law also contains some provisions for duty-free import of capital equipment and spare parts and for raw materials imported in the first three years of commercial produc-Leftists present Peres with an almost unprecedented political reversal

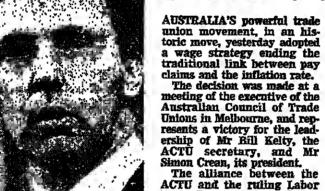
"I think it is the best invest-ment law in the world for investors," Colonel Abel, the Trade Minister, said at a press briefing yesterday. The Government is in a hurry to revitalise the country's run-down economy, and is unlikely to delay giving the green light to acceptable investment proposals from abroad. Bnt potential foreign investors, though attracted by the business opportunities offered by Burma's rich natural resources, may be wary of investing heavily in a country still grappling with the prob-lem of ethnic insurgency and of restoring law and order fol-lowing the disturbances of

investigators from the UN

Commission on Human Rights.

which meets each year in Geneva in Fehruary and March. But Cuba has so far

Clearly the choice of coun-tries whose human rights vio-



sweeping social reform.

imon Crean, its president. The alliance between the ACTU and the ruling Labor Party Government - and par-ticularly between Mr Kelty and Mr Paul Keating, the Fed-Keating: key alliance

eral Treasurer - has been a central feature of the Government's economic policy since it came to power in 1983. Known as "The Accord", it

tier" wage system which has been operating since March 1987. Under this, lower tier rises were determined in the fraditional way, through argument before the Arbitration and Conciliation Commission

changes, or more accurately the removal of inefficiencies at individual workplaces which arose from restrictive work

cess, and the trade union movement now wants rises linked to restructured pay awards which eliminate the vast array of different job classifications in key industries. pany competitiveness.

be replaced' The pay rise figure being mentioned is A\$20-A\$30 per week - or 4.5 per cent to 6.5 per cent on average wages of MR KUCHI MIYAZAWA, Japan's Finance Minister, is around A\$450 (£214) a week. But this will have to be negotilikely to be replaced because of his involvement in a share scandal, in a Cabinet reshuffle ated with the Government, which wants to see a trade-off

expected soon, political ana-lysts said yesterday according to Reuter in Tokyo. between wage rises and per-sonal tax cuts promised for the year beginning next July. Overall, the idea is to main-Japan's opposition renewed their demands for his removal after he told parliament yester-day his secretary had made Y20m (£90,000) profit from shares bought in Mr Miyazatain a tight wages poli-cy – Anstralian workers have suffered a decline in real wages under Labor - but to promote improvements in standards of living and com-

wa's name. Political analysts said Mr Miyazawa's political reputation. had been substantially damaged by the affair and his con-tinued presence in the Cabinet provided an opportunity for the opposition parties to delay parliamentary business.

claims and the inflation rate. has undergone a slow but The decision was made at a meeting of the executive of the inexorable metamorphosis, culminating in yesterday's decision to pursue a "restruct-Australian Council of Trade Unions in Melbourne, and rep-resents a victory for the lead-ership of Mr Bill Kelty, the ACTU secretary, and Mr uring" of pay awards so that wage rises, in effect, flow from productivity gains. The change represents a nat-nral extension of the "twopractices, The two-tier system has gen-erally been regarded as a suc-

Australian unions to sever pay-prices link

and dictated largely by cost of living considerations. Second-tier increases were linked to productivity

The law specifically favours investment which promotes or expands exports; exploits natu-ral resources with beavy capi-tal outlays; transfers high technology to Burma; increases employment opportunities for Burmese citizens, saves energy consumption and boosts regional economic develop-

ment. The law would guarantee against nationalisation of busi-nesses during the period of their operation, and provide for the protection of capital and profits of the foreign investor. of restoring law It grants a three-year tax-hol-lday (which can be extended). recent months.

UN to vote on Iranian human rights record

By Edward Mortimer in New York

A RESOLUTION expressing The other three countries concern over Iran's human are Afghanistan, Chile and El rights record is now certain to Salvador. In addition, Cuba be approved by the UN General this year admitted a team of Assembly, after passing by 55 votes to 23 on Wadnesday night in the Assembly's "third committee," which deals with humanitarian and cultural

humanitarian and cultural issues. The vote was based on a report by Mr Galindo Pohl of El Salvador, a UN special rep-resentative, who found "a nucleus of veracity" in accusa-tions that Iran has executed hundreds of mainly leftist political prisoners this year, and that prisoners in Iran are routinely fortured. Iran had thought to avoid condemnation by offering to allow Mr Pohl to investigate these charges on the spot, but this compromise was rejected by the resolution's cosponsors, a group including Britain and

this compromise was rejected by the resolution's co-sponsors, a group including Britain and nine other European countries as well as Australia, Canada, Costa Rica and Wastern

thes whose human rights vio-lations are hrought to the attention of the General Assembly is somewhat arhi-trary, and reflects their rela-tions with other governments as much as the special enor-mity of their crimes. Iraq, for instance although condemned They pointed out that of four countries for which the UN had appointed a special burnan rights rapporteur, Iran was the only one thet had not yet instance, although condemned hy many speakers in the debate for its treatment of political opponents and espeallowed an on-the-spot investi-gation, and they refused to omit from the resolution the fact that Mr Pohl had already cially this year its use of chemfound enough evidence "to jus-tify international concern" friends in other governments about human rights violations in Iran. to escape, so far, being singled out for special UN scrutiny.

Election backlash in Boksburg

THE hacklash against the Conservative Party-controlled Boksburg town conncil's attempt to reintroduce apart-heid gathered momentum yesterday, as white voters ditched the CP in a by-election and blacks announced plans for tion plans. The seat was won damonstrations and a con- by an independent.

sumer boycott, writes Anthony Robinson in Johannesburg. The CP won control of the council m October but saw its candidate lose his deposit yesterday in the first by-election since it announced re-segrega-

EVEN AS they were mounting their revolt against the party leadership, Labour's "Young Guard" knew that by their action they could be condemn-ing Israel's historic party of government to a long spell in

opposition. Parallels with the unending torments of the British Labour Party ara compelling. On Wednesday night, a leftist-in-clined bloc within Labour's clined bloc within Labour's 120-strong executive bureau threw out a motion proposed by Mr Shimon Peres, the par-ty's leader, and all but one of lis other Cabinet ministers, to join a broad coalition govern-ment under Mr Yitzbak Shamir, the Likud Prime Min-ister

Israeli Labour 'Young Guard' risk party poll hopes

By Andrew Whitley in Jerusalem

The confusion surrounding Israel's coalition-building negotiations mounted yesterday, as both the Labour and

day, as both the Labour and Likud leaders resumed their sporadic courtship of ultra-Orthodox parties, Andrew Whitley writes. Mr Shimon Peres, tha Labour leader and Foreign Minister in the current caretaker Government, signed a binding political pact with Agudat Visrael, one of the reli-Aguat Tistacl, one of the refr gious factions which won increased support in the November 1 elections and which had earlier declared its support for the right-wing Likud party of Mr Yitzhak

is about as clear as London in a Victorian pea-souper of a fog. Was it a tactical move, to wring better terms out of Mr Shamir, a man patently upset with the result?

Ister. It was an historic, almost unprecedented, reversal for the party leadership; one which the Israeli press was compar-ing yesterday with the way in which the late Mrs Golda Meir was forced to step down in 1974. "It was the first victory of the young generation over the Or was it a signal that most of Labour would prefer to sit out the next few difficult years the young generation over the old," commented one member in opposition, rather than help the Likud ont of its anticipated of the executive hureau. But what this new genera-tion of Labour politicians, most jam? Some interpreted the set-back for Mr Peres and his coof them in their early 40s, now intend to do with their power sponsor of the broad coalition

Shamir, the Prime Minister. The pact of mntual support, negotiated within bours of Labour's rejection of a broad coalition with Likud, obliges each side to include the other in any new coalition line-up. Mr Peres said it would give him a "blocking majority" to obstruct Likud's chances of

forming a narrow coalition with the religious parties. including six Arab Knesset members who cannot he included in any government, Labour believes it now commands the support of 60 par-liamentarians, against 58 backing its main rival. The position of a two-man, ultra-

platform, Mr Yitzhak Rabin, the Defence Minister, as a warning shot. Satisfied with having demon-strated their strength within the party, this argument runs, the youngsters would retire from the field and leave the veterans to get on with picking up the coalition pieces. Others saw it as the first stage of a serious challenge to the group

of familiar faces Sensing the changa in the

Orthodox faction, Degel Hato-

rah, remains obscure. Mr Shamir, who was asked by President Chaim Herzog to form a government two and a half weeks ago, said yesterday that he was very disappointed by the outcome of the Labour Party executive bureau's vote on Wednesday night. Its members narrowly rejected their leadership's call to join Likud in a broad coalition.

Likud's negotiators have themselves resumed talks with small right-wing parties on forming a bloc of nationalist and religious parties capable of commanding a Knesset uniosity majority.

wind, immediately after Wednesday's vote was announced, Mr Moshe Shahal - the Iraqi born Energy Minis-ter who barely disguises his own aspirations for the top joh - declared the need for a "renewal" of the leadership.

The organiser, and real vic-tor, of the revolt, Mr Uzi Bar Am, Labour's socialistminded secretary-general, was more cautious, preferring to bide his time. What all Labour

politicians could agree upon, though, was that the vote represented a daclaration of unwillingness by its supporters to compromise on their ideo-

logical principles. Israel's Labour Party, rather like its British counterpart under the than Mr Jim Callaghan, has moved steadily towards the centre in recent years, shedding its pure social-ist origins in favour of a prag-matic stance on economic and social issnes

There is considerable evidence, demonstrated only a few weeks ago at the general few weeks ago at the general election, that the electorate as a whole is also undergoing a shift to the right. Labour's 30 per cent share of the popular vote, its poorest ever showing, would have been even worse if it had not been for the support attracted by the hawkish Mr Rabin. But, within the party membership, particularly in its middle ranks, the unmistakea-ble trend is in the opposite ble trend is in the opposite direction. On the Arab/Israeli dispute,

men such as Mr Yossi Beilin, Mr Avraham Burg and Mr Haim Ramon, the leading con-spirators, are distinctly more dovish than their elders.

Sikhs'plea rejected

Last minute appeals by two Sikhs condemned to hang for the assassination of Mrs Indira Gandhi, the late Prime Minis-ter, were rejected by the Indian High Court yesterday, Reuter reported from New Delhi.

Lawyers for Mr Satwant Singh and Mr Kehar Singh went to court to challenge President Ramaswamy Venkataraman's rejection of mercy petitions and try to halt the

double hanging set for today. The High Court bench rejected Kehar's appeal with the single word "dismissed" but his lawyer rushed straight to the Supreme Court for a des-perate final effort to prevent the execution.

China oil find

Exploratory tests have confirmed the existence of a big oil field in the rugged Tarim Basin area of far western China's

area of far western China's Xinjiang Uygur Antonomous Region, an official daily news-paper said, AP-DJ reports from Peking. The China Daily, quoting an announcement of the General Corporation of Petroleum and Natural Gas, said the 17,125-foot-deep No. 2 exploratory well had yialded a "surpris-ingly high" oil and gas stream.

South Korea growth

Observers asked to oversee Sri Lanka poll

By Mervyn De Silva in Colombo

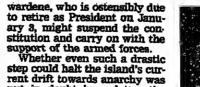
MR SHAHUL HAMEED, the Sri Lankan Foreign Minister, has invited observers from the Commonwealth Parliamentary Association, the International Parliamentary Union and Sir Sridath Ramphal the Common-wealth secretary-general, to monitor the December 19 presi-

dential election. Mr Hameed's appeal followed mounting pressure on Presi-dent Junius Jayawardene, especially from Mrs Sirimavo Bandaranaike, the former prime minister to "ensure a free and fair election".

Mrs Bandaranaike is stand-ing for President against Mr Ranasinghe Premasada, the current Prime Minister.

Mr Jayawardene has prom-ised the opposition parties that he would consider their other main demand, the immediate dissolution of parliament, where the UNP has a five-sixths majority, and the calling of parliamentary elections. At present these are not due until next August.

The appeals and demands. howevar, might ba academic since it seems possible no elec-tions will be held at all. There is much speculation Mr Java-



put in doubt by a letter the President has just received from the State Administrative Services Association (Sasa). The Sasa told the president

hat its members were unable to carry out their duties in most parts of the island in the face of threats from unidentified persons on the one hand and from the police and army

on the other. The Sasa includes all government agents who run the coun-try's civil administration in 24 districts. Its members snper-vise all national elections. Unless certain urgent mat-ters were resolved early its let ters were resolved early, its letter added, conditions would not improve sufficienty before December 19. The association then went on to make the most extraordinary demand in the 40

year history of Sri Lanka's ooce neutral civil service, the bulwark of the island's democratic system.

• • •



and parliamentary elections. Most Sri Lankans found lit-tle difficulty in identifying the unidentified persons referred to in the letter. It is a reference to the letter. It is a reference to the extremist Sinhalese JVP (Peoples Liberation Front) and the DJV (the Patriotic Peoples Movement).

The JVP leader, the 44-year-old Mr Rohana Wijeweera, denies that the DJV, accused denies that the DJV, accused by the Government for most of the 700 political killings in the past year, is the JVP's military wing, but Mr Lalith Athulath-mudal, the National Security Minister, said "it is a wholly owned subsidiary of the JVP".

Death threats to public servants, shop-keepers, bus driv-ers banks, hotels and factories, followed by swift, deadly repri-sals against those who ignore these "messages" has created what Mr Jayawardene calls a "fear psychosis" thet pervades

The "fear psychosis" affects private visit to Paris, the Jus-tice Minister telexed the presiregime.

Sonth Korea's economic growth will slow to a single-digit figure next year while its current account surplus will dent his resignation while his conscientions deputy quit when the government refused also narrow to less than \$10bn, government economists pre-dicted according to AP in to dissolve parfiament. A gov ernment MP found himself Secul. The Economic Planning Board predicted the nation's joh in Oman, having left his constituency without "inform-ing his pillow", as the Sinhala economy, expected to grow 11.5 per cent this year, will increase by 8 per cent to 9 per cent in real terms in 1989. expression goes.

The stunning resurgence of the JVP, a one-time guevarist youth party, follows the India-Lanka peace accord of July last year. The majority of Sinha-lese, more than 75 per cent of the population, regard the accord as a sop to Tamil minority separatists by a treacherous Mr Jayawardene, and a surrender of Sri Lankan sovereignty to the hig neighbour, which throughout a 2,000 year recorded history, has been the source of invasions.

The President will incur his own candidate's wrath if he dissolves parliament and risks Bandaranaike victory. But only such a victory can per-haps give Sri Lanka a breath ing space from the JVP as they are less opposed to Mrs Bandarauaike than tha current

ANC fall to death South African police yesterday claimed thet an 18-year-old susclaimed thet an 18-year-old sus-pected African National Con-gress activist, who was hand-cuffed and escorted by security policemen, threw himself to his death from the seventh floor of a block of flats in Johannes-hnrg. Anthony Robinson writes. Mr Amos Khoza, the dead teenager, had been arrested in Klerksdorp by the security branch after midnight and then interrogated. After this the police said he agreed to point out a flat in Johannes-burg where he was alleged to burg where he was alleged to have made contact with an ANC member.

In South Africa there have been a oumber of cases of suspects dying after falling from windows

It urged Mr Jayawardene to It urged Mr Jayawardene to accede to the request of the venerable Mahanayakes (the island's highest buddhist prei-ates), the Anglican Arch-bishop, the Catholic bishops conference and the Hindu and Moslem clergy.

The Sasa letter said the Mahanayakes felt there could

supreme court judges, cabinet haps even a bloodbath unless a caretaker Cabinet was set up ministers, trade union leaders, and newspaper bosses. On a which would then oversee the holding of both presidential

Sri Lankan society at all levels. be widespread violence per-

.

.

zawa

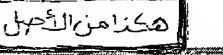
placed'

tra groat

r to

Andi Avant 20E £

Mercedes 200T Estate, £17100





GOOD NEWS FOR EVERYONE WHO'D LIKE TO LIVE WITHIN THEIR MEANS.

What we have here are three of the finest

estate cars money can buy. But the Volvo, we would suggest, is worthy of particular note.

It's built around a solid steel safety cage, with crumple zones front and rear. There are steel bars in the doors, a

collapsible steering column and five seat belts. The locks are child-proof, the windscreen is laminated glass and the bumpers are energy-absorbing. It's luxuriously equipped throughout with power steering, electric windows, tinted glass and central locking. And being a Volvo estate, it has a mighty

load-carrying capacity. In short, it's a very safe, and also a very

comfortable car.

Not that the other two aren't, of course.

Clearly, all three owe much to the skills of the engineer.

But only one, apparently, to the skills of the economist.

To: Volvo, Sprii BS3 4EF. For a	ngfield House, Princess brochure call 0800 40	Street, Bristol 0 430 free, or
post the coup		75/81- 65 F-4 8.
Mr/Mrs/Miss. Address		
Postcode	Tel: The Wolly@ 740	gl estate.

THE VOLVO 740 AND 760 ESTATES. PRICES FROM £13,245 TO £23,620 INCLUDING CAR TAX AND VAT (EXCLUDING STANDARD NATIONAL DELIVERY CHARGE £165, INCLUDING VAT). PRICES CORRECT AT TIME OF GOING TO PRESS. FOR CUSTOMER INFORMATION TELEPHONE : IPSWICH (0473) 270270.

WORLD TRADE NEWS

Gatt strategy urged on Yeutter

By Nancy Dunna in Washington

SPECIAL advisorv committee, mandated by Con-gress to advise Mr Clayton Yeutter, the US Trade Repre-sentative, has suggested thet during next week's midterm review of international trade talks he seek commitment from the EC to extend the Ganeral Agreement on Tariffs and Trade to new areas "in parallei with the implementation of its internal market programme."

The high-powered group also urges US negotiators not to agree to early concessions on tropical products unless long-term commitments on agriculture reform are agreed. The recommendations are

contained in a lengthy report detailing other strategy goals for the talks. Trade ministers will seek to sort through key

By Peter Montagnon, World Trade Editor

disputes over trade in services, intellectual property rights and

agriculture. The advisory group says: "To avoid perceptions of intransi-gence, the US (sbould) be pre-pared to offer flexibility in its position with respect to the date for complete elimination

of trade-distorting subsidies." Once satisfactory agreement is reached on long-term objec-tives for agriculture, the US may agree to short-term measures consistent with the long-

term goals, the report says. "Under no circumstance sbould the US agree to commit-ments on supply control that would take the pressure off countries and reduce US leverage to obtain permanent reform of global agricultural productions and trade poli-

cies," the report says. The advisory committee also notes that at least one group of farm producers expresses "scri-ous reservations about com-pletely eliminating all agricul-tural stabilisation

programmes. In other areas, the report urges the following stances: • On trade in services, seek a commitment to negotiate a set of 10 principles, including national treatment and right of establishment, and obtain agreement on a negotiating timetable and procedures. Take a positive approach toward developing countries without granting blanket concessions. "It is premature to remove any service sectors from the negoti-ating table at this time, with the exception of labour move-

ment and immigration issues which should not be covered. • Keep all trade-related investment measures on the table, seek consensus that additional Gatt discipline is necessary and establish a work plan for the next two years.

 On subsidies, industrial export targeting and certain exchange rate arrangements should be recognised as a form of subsidisation and made subject to Gatt discipline. • A Gatt anti-counterfeiting

• A Gatt anti-counterteining code would not be acceptable as an "interim" agreement on intellectual property rights. It notes that the US defence industry is particularly wor-ried about this issue, particu-larly regarding software, and harriers to related trade barriers to related trade. Farm policy reform, Page 42

UK urges Brussels to rule on Nissans By William Dawkins in Brussels

THE British Government has called on the European Com-mission to bring a clear settle-ment to the five-month row with France, and more recently Italy and Spain, over whether UK-built Nissan cars should be guaranteed free EC

market access. Lord Young, the UK Trade and Industry Secretary, has written to Lord Cockfield, the Commissioner responsible for the internal market, asking for a ruling on whether the Sunderland-built Binebirds should be treated as European or Japanese. The letter also asks the Brussels authorities to examine restrictions on Nis-

san car shipments being imposed by Spain, the latest country to be drawn into this highly sensitive dispute. While the tone of the letter

is understood to be diplomatic, it is a sign of the UK Govern-ment's anxiety to remove this uncertainty hanging over Nis-san's attempts – backed by generous British investment assistance - to establish itself as the first large-scale Japa-nese car-maker in the Commu-

The controversy began when France threatened during the summer to count sales of Nissan vehicles built in Britain under its 3 per cent of market share quota for Japanese cars. Italy threatened to do the same last month, and Nissan has now told the British Government that it is encountering restrictions to the Spanish market.

Paris and Rome argue that the UK-built Nissans do not have enough European content to be counted as EC products. The French Government claimed in response to the Commission's initial inquiries that the cars had been granted type approval and were being accepted dnty-free. But it avoided, to the UK's concern, answering the central question about whether they would be

subject to import quotas. As a result, Lord Cockfield advised the Department of Trade and Industry that Nis-san's imports to continental Europe should go ahead as normal and that the Govern-ment should let the Government should let the Commis-sion know later if the car maker encountered further restrictions. Lord Young's latest letter is the response to this advice.

Manila sues Westinghouse over nuclear power station

By Richard Gourlay in Manila

THE Philippine Government plant should not operate. The alleged fraud and brib-ery involved in the Westinghyesterday sued Westinghouse Electric, claiming the US com-pany paid bribes thet benefited ouse contract has frequently been cited in Manila as justifi-cation for selective repudiation of the Philippines' \$28.9bn international debt. former President Ferdinand Marcos to procure a contract to build a nuclear power station, which eventually cost \$2.1bn (£1.1bn) but has never operdormant power plant costs the country \$355,000 a day in inter-

The case, filed in a New Jer-sey court and announced in Manila by Mr Sedfrey Ordonez, the Justice Secretary, called est alone but the complaint is notably devoid of any sugges-tion that the Philippines for the cancellation of the con-tract, the return of all moneys should renege on its Westingh-ouse-related debts. In a statement from Pitts-burgh, Westinghouse said the paid and compensatory dam-

It also named Burns and case was based on politically-Row, the New Jersey company which with Westingbonse motivated opposition to the 620-MW plant and nuclear power. It said that once Mr signed and built the plant, Marcos was ousted in 1986 which was finished in 1985. It claims a recent technical audit there was never any intention to operate the plant, even shows there are serious design and construction faults that justify President Corazon Aquino's decision in 1986, soon after she took power, that the

could take 10 years in the

courts. Yesterday's filing follows a iengthy period in which the Philippines failed to reach a negotiated settlement with Westinghouse. Westinghouse has admitted in the past paying \$17m to companies con-trolled by Mr Herminio Desini, a close Marcos associate who now lives in Austria, for repre-sentational expenses.

Philippine Senstor Rene Saguhag said earlier this week that the Westinghouse deal, which gave the Philip-pines its largest single component of foreign debt, epit-omised the worst kind of corruption and evil in the Mar-

cos regime. Of the final \$2.1bn that the ble its initial estimate, nearly double its initial estimate, nearly half is due to the US Export Import Bank. The next largest creditor is Citicorp International.

though Westinghouse's own studies showed it was ready to load nuclear fuel. A spokesman said the case

Mr Ordonez pointed out the

Philippines tries to untangle inadequate telephone wires

Richard Gourlay on the need for a telecom policy

BUSINESSMEN plug their private telephone lines state guarantees and regulainto fax machines for tion is equally unclear, econopart of the day and some 300,000 people on the waiting list can look forward to a three year delay before Philippine Long Distance Telephone Co mists sa The Government is undersome pressure to clarify its pol-icy because of PLDT's attempt to push ahead with a hugely might instal a phone - the ambitious \$1.9bn expansion, black market rate for a tele-phone number in Manila is which will more than double the number of lines to 2m. About \$500m is needed immediapproaching \$2,000. ately to finance this project,

Like many developing coun-tries struggling to join the international marketplace, the Philippines remains isolated Since 1986, when and underdeveloped partly because of its chronically inad-equate telecommunications

Marcos's fingers system. The Government has identi-fied better communications as were prised from PLDT's controls, the sine qua non of higher investment and greater eco-nomic activity but is still struggling to find a policy forleaving the New York and Manilaquoted company as

mula that will allow the pri-vate sector to lead the way. A World Bank team arrived in Manila recently to discuss a \$40m loan for development in the whill arrived anythem to be the sector. a private monopoly, the Philippines the rapidly growing southern island of Mindanao. Like recent help from the Asian Development Bank elsewhere fudged crucial policy issues in the country, the loan will be little more than another palliative.

electricity, where the role of ern Telecommunications Philippine Inc (ETPI), a subsidiary of Britain's Cable and Wireless, which set up Digitel earlier

this year as a traffic carrier. Its application for a fran-chise, however, is stuck in Congress and essential approvals of a second gateway switch which links overseas and domestic customers - are still pending with the Government. Though the administration has so far made some effort to

encourage competition, the Government is going to be forced to play ball with PLDT, which remains the only game President Ferdinand in town.

"You cannot dig up both sides of the road," one international economist said.

Equally, the World Bank is almost certain to tell the Gov-ernment it must shake off its reluctance to provide guarantees if the huge sums involved are to be financed. And some economists and Congressmen believe that the Governmeot will have to cajole PLDT into putting more lines into unprofitable forgotten rural areas in return for leaving its monopoly effectively intact.

If changes in government policy are major they are likely to be strongly resisted but PLDT, an organisation with

BRITISH Petroleum yesterday Montreal next week, because it became the first UK company supports efforts to push back to submit a position paper to the Government outlining its the forces of bilateralism and protection. But it has also identified a wide range of areas where success in the round could be of practical help to its expectations from the current Uruguay Round of multilateral trade negotiations. business

The paper, which is also being sent to the EC Commis-sion and the General Agree-ment on Tariffs and Trade in Geneva, as well as to govern-ments in countries where BP and its associates operate, marks a rare intervention in the Uruguay Round by a European private sector concern. some countries.

BP says it welcomes the Uru-guay Round, which is to be reviewed at ministerial level in Significantly, it says it

attaches considerable importance to liberalising trade in services where it says its operations have been hampered by national restrictions on insurance, telecommunica-tions and financial services in

BP also says it suffers an estimated loss of £20m to £50m annually as a result of coun-

terfeiting and faces a number of restrictions on investments. Fiven in Colombia, a relatively liberal developing country, roy-alties cannot be remitted until trade marks have been regis-tered, a process which takes three to four years. It says its interest in the

BP outlines its hopes for Uruguay Round

Uruguay Round extends into other areas too, such as agriculture, where for many years its industrial alcohol business has been overshadowed by surpluses of fermentation alcohol produced through conversion of surplus EC farm products. Among tha tropical products covered by the round, it is an importer of tapioca, which is

produced in Thailand, Indon-esia and China and subject to EC import quotas. Though the paper does not offer detailed suggestions as to how all these problems should be handled by Gatt, BP officials say it shows how far reaching the round is terms of practical relevance, a conclusion which it believes could apply to other multina-tional concerns as well

Among other specific trade problems which it cites as affecting its business are the US ban on exporting Alaskan crude oil and on the importing uranium, both of which are currently permitted by Gatt on grounds of national security.

ROBSON RHODES

RESEARCH FELLOWSHIP IN THE GROWTH OF FIRMS

The College seeks to appaint a Research Fellow with a special interest in the growth of firms.

Given that the Callege's work is predaminantly with medium and larger arganisations, experience and interest in the particular problems of growth in these enterprises would be an advantage.

The post is apen to candidates wha are well qualified in any management subject. When appainted, the Research Fellow will be expected to work closely with other Fellows across a range af disciplines, particularly in the design and teaching of executive programmes. In addition, it would be an advantage to the College and to the Research Fellow if he ar she had a research focus close to that af other members af the College. For these reasons, applications would be particularly welcame fram candidates interested in ane ar mare of the fallowing:

the management issues arising from mergers and acquisitions: $\mathbf{y}^{(n)}$

£100m loan facility for Indonesia

By Peter Montagnon, World Trade Editor

BRITAIN yesterday signed a new £100m soft loan facility for Indonesia to finance develop-ment projects to be agreed between the two governments

over the next two years. Credit made available under the facility will carry interest at 3.5 per cent and a maturity of 25 years, the standard terms required by the Indonesian Government on such finance. It will replace an existing £140m credit line, originally due to expire at the end of September but extended until Jan-

uary. h Britain is ing fresh funds available to Indonesia, Overseas Develop-ment Administration officials acknowledge that administra-tive difficulties in Jakarta, where local ministries vie for responsibility for development projects, have previously made it hard to develop business The £140m is still not fully used up, although officials will not say how much remains unspent. The unused balance will be added to the new £100m facility after next January. Britain is not alone in having difficulty persuading Indonesia to take up offers of aid finance.

THORN LIGHTING, subsidiary

of the Thorn EMI electronics

and entertainment group, has established a joint venture in

Hong Kong. This marks an effort to increase its share of the Asian market, writes Clay

The 50-50 agreement with Jardine Engineering of Hong Kong replaces a 37-year arrangement under which Jar-dine acted as Thorn's local

Harris.

HK venture for Thorn

III rema TONE 510 IN

1. 15 . 24 . A. T.

ζ,

managing growth in particular industry sectors such as: information technology; retailing; food and drink; service arganisations;

the international dimensions of growth management.

Informal enquiries about this post are welcame and Uwe Kitzinger, President; John Purcell, Senior Tutor, ar Radger Undy, Dean, would be pleased to discuss further details.

Templeton College

Oxford OX | SNY Tel (0865) 735422 Telex 83147 altri TEMCOL, Teleccoler (0865) 736374

We are pleased to announce the following elections

Douglas C. Taylor Executive Vice President

> Lauren I. Best Assistant Treasurer

DISCOUNT CORPORATION OF NEW YORK ADVISERS

58 Pine Street, New York, N.Y. 10005 .

SWISS BANKING

The Financial Times proposes to publish a Survey on the above on

19th December 1988

For a full editorial synopsis and advertisement details, please contact:

Patricia Surridge on Qi-248-8000 ext 3426

or Gunter Breifling Financial Times (Switzerland) Ltd. 15 rue du Cendrier CH-1201 Geneva Switzerland Tel: (022) 311604 Telex: 22589

FINANCIAL TIMES

within the Commission believes such controls contravene EC free trade rules, but the Brussels authorities have made no official ruling. The EC's 20-year-old regulation on the definition of a European product is vague and has so far been applied only on a case-by-case basis.

This dispute has increased the pressure on the Commis-sion to settle the general uncertainty over local content rules, something which will have an important bearing on the growing volume of Japa-nese and other foreign investment in the EC.

agent in the colony and in China.

The new company will also handle sales to Taiwan, Macao and the Philippines. Thorn is aiming especially to win large contracts for lighting uniects in China

More importantly, the Bank will be working with Mr Rainerio Reyes, the Secretary of Transport and Telecommunications, and ADB-financed contions, and ADB-inanced con-sultants to develop a policy for regulating telecoms companies and encouraging desperately-needed investment. Since 1986, when President Ferdinand Marcos's fingers were prised from PLDT's con-track identifies the New York

trols, leaving the New York and Manila-quoted company as a private monopoly, the Gov-ernment has fudged crucial policy issues.

How, for example, should it harness the private sector to harness the private sector to develop a crucial public utility. How far should government finance the necessary growth and guarantee that foreign exchange will be available to repay investors? How should it regulate PLDT, which is not just a pri-

vate monopoly but one that is closely controlled by one fam-ily, the Cojunagcos, and sup-ported by well-entrenched interests?

It plans to supply fittings for exterior flood lighting and street lighting from a factory which is shortly to open in On a wider level the telecommunications industry may pro-vide a bineprint for government in other privately controlled ntilities such as

the brainchild of Mr Antonio Cojuangco, the president of PLDT and a cousin of President Corazon Cojuangco Aquino. PLDT is about to award the

Government has

contract for the first \$350m phase of the "X-5 expansion" which will provide 130,000 new lines and switchboards.

In its own piecemeal way the Government has tried to increase competition by launching the National Telecommunications Programme. Costing \$369m and using Ital-ian, French and Japanese credit, the project should pro-vide 138,000 lines in three areas ontside Manila over a five year period.

Mr Reyes would like PLDT's share of telephone lines cut from about 94 per cent at present - 85 per cent in Manila - to 50 per cent over that period. However, analysts say it

seems unlikely that a private company will be able to oper-ate these areas profitably with-ont more international busi-ness, with the result that the

Government may be sliding into a long term role in the telecommunications supply. Mr Reyes also supports alter-native operators such as East-

critics say springs from Mr Cojuango's close relationship with his cousin. An example of that clout is how PLDT avoided being sequestered in 1986, says a former lawyer for the Presidential

significant clout which some

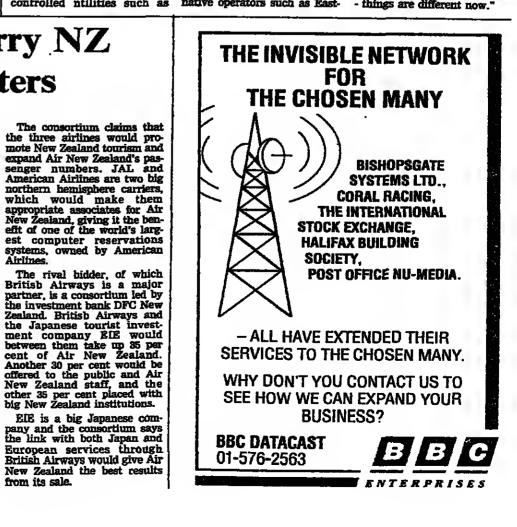
Commission on Good Govern-ment which is bunting down wealth allegedly stolen by Mr Marcos and his cronies.

Mr Marcos, through a dummy company, owned 46 per cent of Philippines Telecommuheiding company that controls the majority of the voting shares of PLDT. Most of the remaining 54 per

cent of votes are controlled by the Cojuangco family, which has managed to retain control of nine of the 11 PLDT board

seats. By deciding that economic development will not take place without improvements in telecommunications the Government has taken one step. Implementing a clearer policy is another, but Mr Reyes appears confident about what it entails.

"PLDT was OK with Marcos things are different now."



Qantas refusal to carry NZ cargoes upsets exporters

Malaysia

projects in China.

By Dal Hayward in Wallington

A REFUSAL by Qantas of Australia to carry New Zea-land export cargo from Sydney to Japan, giving preference instead to Australian export-ers, has been seized on by those opposing the bid involv-ing Qantas for Air New Zea-land, the state-owned flag car-rier.

Air Lines and American Air-lines, has mounted an offer as part of a consortium led by the local Brierley Investments (BIL) to buy Air New Zealand, which is being privatised. Under the terms of the offer, the Australian state carrier

Under the terms of the offer, the Australian state carrier would keep 19 per cent and the other two airlines 7.5 per cent each to make up 35 per cent of Air New Zealand - the maxi-mum which the Government will permit to be sold to over-seas interests. BIL would keep 35 per cent and the remainder would be offered to the New Zealand public and staff of Air New Zealand. New Zealand.

Several exporters, mainly those shipping fish to the Japa-nese market, are upset by an apparently sudden decision by Qantas to refuse New Zealand cargo out of Sydney on three

days a week. Defending its policy of favouring Australian exporters in the allocation of cargo space, Qantas says other coun-tries would expect their national airline to do the same. If its consortium bid is successful, Qantas would not interfere in Air New Zealand's dealings

with its customers. One exporter, Polar Prod-ucts, has been shipping all its exports to Japan by Qantas for exports to Japan by Qantas for 17 years. Last year it sent 1,200 tonnes of fish with the Austra-lian airline. Polar's managing director, Mr David Bell, has strongly criticised Qantas and expressed doubts for the future of other New Zealand exporters if Qantas gains a substantial holding in Air New Zealand. National Party opposition MPs have also questioned the future for Air New Zealand exporters if the New Zealand airline is sold to the Qantas consortium. Polar Products and three other big exporters

and three other big exporters have protested to the New Zea-land Government and asked the Prime Minister, Mr David Lange, and the Overseas Trade

intervene to help exporters.

The rival bidder, of which Britisb Airways is a major partner, is a consortium led by the investment bank DFC New Zealand. Britisb Airways and the Japanese tourist invest-ment company RUE would the Japanese tourist invest-ment company EIE would between them take up 35 per cent of Air New Zealand. Another 30 per cent would be offered to the public and Air New Zealand staff, and the other 35 per cent placed with other 35 per cent placed with big New Zealand institutions.

EIE is a big Japanese company and the consortium says the link with both Japan and European services through British Airways would give Air New Zealand the best results Minister, Mr Mike Moore, to from its sale.

Government sets out programme for selling electricity industry

State to help fund cost of decommissioning N-plants

ity bills by 25 per cent in two

He also denied that the

nuclear fossil levy constituted a new tax. Its proposals for fin-

ancing nuclear power would "merely open up" the costs

which already existed but which had been "lost" in the

electricity industry's present

He also said that the public had for a long time been pay-ing a "coal tax" both through

taxation and in electricity

accounting methods.

ears.

prices.

By Maurice Samuelson

ER 2 1958

years in the

ting fellows a

in which is led to rear a themen: whi Westmands a the past ar outpanies con-benaitio Desin : associate whi

235000 - 800

enses. Senator Real d cariler the

ave the picke

a single cont.

Worst that the

\$2 ibn that the

uild, nearly dep

estimate. nearly tite US E.R. The next large: Noorp interts

ingle

ires

n policy

p Digitel sector i traffic curries stitica (se o fra-

ver. in Made 2 CEFERILA STORY.

nd gateway man AS 27571-11 11

HOLDE .. . TA BE

, the Gavernmen Me sarainatrano ade some sinne

CONDOULI N. 13

ins the coll game

mot was up bee

FORE MARKETS mist co.f. the Warld Bine -and to toll the Gas

must state 2 t

the price to came

tants, status at low,

imerial and an and fur course

a me dooman

a capto bull to No Works the capto

124 0 1010 0702 2

12× 10 7 10 10 10 1999-197 200 - <u>199</u>9 1999-201

STGRE, 11.01 5.2

C Clear Start STE T APPEC DEN

S CREAT STATE

22 M 11 1111 11115

18 JUL 19 19 19

48 43 (Mrs. 6 - 147

er ber blir brie 2014

63 25 50 225

en e l'anna de legent) ad his

A1.6.5

REP. C.

ur 2 7

Connect and all

101 110 110 10

D A

entification and a second Reserve and a second and Reserve and a second and a

Real Provide State

neulis Lief.

TWORK

AANY

OPSGATE

MS LTO

ACING. NATIONAL

NGE.

GING

E NU-MED A

ED THE

DSEN MAN

TACT

PANO

7.2.

000/1171

THE GOVERNMENT ia prepared to contribute between £1bn and £2.5bn to cover unforeseen costs of decommission-ing nuclear stations and han-dling nuclear waste after the electricity industry is privatised. This will be in addition to

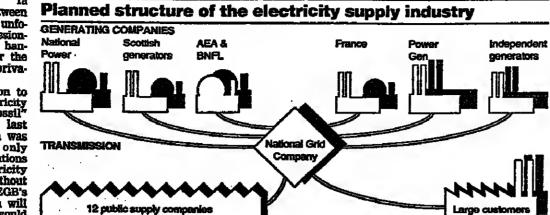
the imposition on all electricity consumers of a "non-fossil" levy. It was suggested last night that this provision was agreed hy the Cahinet only from the Central Electricity Generating Board that without it National Power, the CEGB's daughter company which will inherit nuclear plants, would be unsaleable. The Government's plans for

legislation to sell the electricity industry show that it will be the most ambitions disposal in the Government's privatisation programme. It is expected to be worth £15bn to £20bn.

Mr Cecil Parkinson, Energy Minister, yesterday described the programme as "radical but evolutionary". The CEGB will be divided into two rival generating companies.

Responsibility for security of supply will be transferred from the CEGB to the distribution side of the industry, which will control the operations of the National Grid

munications Pri-Like last week's proposals TPD. 2 (ubsidiari able and A rolari



National Power has 70% of UK capacity including nuclea Power Gen has 30% of UK capacity, no nuclear stationa Nuclear capacity equals approximately 20% of total

for selling the water industry, the electricity legislation omits many of the details of how the

industry will work. These include the licences to be required for producers and suppliers of electricity and the commercial contracts with which the industry will enter

the private sector. Howevar, the Bill does explain how consumers and taxpayers would have to bear the extra cost of nuclear power stations, which the Govern-ment says are essential to

ensure diversity and security of electricity supplies. At present, 80 per cent of Britain's electricity is coal-fired. With many older nuclear

stations approaching the end of their lives, the Government wants to ensure that the present ratio of nuclear to conventional power stations is not altered at the expense of nuclear

Mr Parkinson yesterday strongly rejected Opposition claims that privatisation would increase householders' electric-

In the nine years since the from the two new generating Conservatives came to power, the Government had paid 19hn to support the coal industry. In addition, the electricity industry claimed it was paying \$500m-\$700m "over the odds" for British coal rather than • The precise form of the

flotation has yet to be decided, hut the offers would he designed to encourage a wide spread of share ownership. Individuals will be able to

acquire shares in both their local electricity supplier and more widely. Mr Parkinson said that the

successors of the present area boards would be able to shop around for the electricity they needed. They opened up to public examination the costs and per-formance of the industry. The regulatory regime and package of customer rights would make

the whole industry more answerable to those it served and customers and employees would be able to buy shares.

The Bill emhodies six princibe driven by customers' needs. Area boards will have to sup-ply electricity on reasonable terms to all customers. Public suppliers will be able to con-tract for sufficient capacity

companies, from new private suppliers, from Scotland, from France and by generating electricity themselves.

مكنامزالكمر

The second principle is that competition is the best guarantee of customers' interests. In addition to hreaking up the existing industry, Mr Parkin-son said he knew of up to 20 proposed independent power projects totalling over 5,000

MW of new capacity. The third principle is that regulation shall be designed to promote competition, oversee prices and protect customers' interests where natural monopolies - notably the area supply companies - remain. The regulator will have to

promote competition in generation and supply. At the beart to the regulatory regime will be licensing arrangements to control prices which suppliers can charge. They will also allow suppliers other than pub-lic bother to supply the supplier of the supplilic bodies to supply direct to specified premises.

The fourth principle is to maintain security and safety of supply. That will be done by maintaining the integrity of the national grid and its sys-tem of operating power sta-tions in order of merit.

Editorial comment, Page 22; Lex. Page 24

'No plans' to take mortgage costs from inflation measure

By Philip Stephens, Political Editor

MRS Margaret Thatcher, the tee which considers changes to Prime Minister, said yesterday the index. The careful wording of Mrs

that there were no immediate plans to take mortgage interest Thatcher's response - referpayments out of the measured inflation rate, hut she appeared not to rule out indefinitely such a change. Echoing comments made

earlier this week hy Mr Nigel Lawson, the Chancellor of the Exchequer, Mrs Thatcher said that the inclusion of mortgage payments in the retail prices index obscured the underlying trend of inflation.

They had the perverse effect that a tightening of monetary policy produced a rise in the recorded inflation rate and very few other countries used them in measuring inflation.

In response to repeated calls from Mr Neil Kinnock, the opposition Labour leader, for a firm assurance that the Gov-ernment would not remove the payments from the Retail Price Index she replied that there were "no immediate proposals"

to do so. Mrs Thatcher said that if they were excluded, some alter-native measure of bousing costs would have to included in the RPL Such a move would also be also have to be considered by the advisory commit- for an early change.

ring only to the fact that there were no immediate proposals - left the impression at West-minister that the Government is leaving open the option of changing the index at some future date. Mr Kinnock said that he was "unconvinced" hy the reply and last night Mr Gordon

Brown, the Labour spokesman on the Treasury, wrote to Mr Lawson asking for a "categori-cal assurance" that mortgage costs would be retained in the index. Their removal now could hit the index-linked pensions and benefits paid to millions of people.

The advisory committee, which was reconvened two months ago, is considering the implications for the RPI of the forthcoming replacement of domestic property taxes by the poli tax as well as a number of

other minor changes. The Government could propose at any time that it study an alternative measure of housing costs, but one senior minister said last night that there was no "head of steam"

Bill removes limits on work hours for 16 to 18-year-olds

By Charles Leadbeater, Labour Editor

ALL restrictions on the hours which young people aged between 16 and 18 years can work are to be abolished by an Employment Bill published yesterday. The Bill also removes those

legislative restrictions on womens' employment, which prohibited them from working in mines

It will give women the same rights to statutory redundancy pay as men. Mr Norman Fowler, the

Employment Secretary, described it as a "deregulation and anti-discrimination Bill" which would provide women

which would provide women with genuine equality of oppor-tunity in the jobs market. The minister said that the repeal of legislation on young people's hours swept away archaic regulations which he said were unecessarily complex and were not needed to provide them with protection.

Mr Meacher, the opposition Labour party's spokesman on employment said that the Bill would lead to more intense exploitation of young workers. Evidence from the industry most likely to gain, industrial bakeries, showed that young workers might be employed for 53 hours a week on night shifts, he said. Mr John Monks, the deputy, general secretary of the Trades Union Congress, said the Bill would be a charter for bad employers by eroding individ-ual employment rights. The repeal of legislation gov-erning the amployment of young people in factories, mines and shops, soma of which dates hack to the Employment of Women, Young Persons and Children's Act of 1920, will allow 16 to 18-yearshifts, he said. 1920, will allow 16 to 18-year-olds to be employed at night in factories.

 $e^{-i \pi t}$

11

 $\mathbb{T}_{\mathcal{A}}$

1

It will also remove restric-tions which at present limit the working day in some indus-tries to between 7am and 8pm. Other restrictions will also be removed on the length of the working day to nine hours, weekly hours and weekend working. Regulations governing the

work of young people with dangerous machinery and substances will be retained, as will legislation covering employ-ment of school children and work in public houses and bet-

ting shops. All legislation which involves discrimination on grounds of sex in employment will be overidden by the Sex Discrimination Act 1975, except health and safety regulations covering womens' exposure to lead and radiation, their employment on board ships and aircraft and the employment practices of some work-ens' educational institutions.

The Bill also formally abol-



sion, and gives to the chairmen of industrial trihunals the power to ask applicants with a weak case to provide a deposit of up to £150 before they can pursue it. It also contains a series of

measures covering employ-ment in small business, statutory redundancy payments and shop stewards' rights to paid time off for union busines. Provisions in the Shops Act

1950 which specify meal times, holiday entitlements and hours

The bill will also mean that no child below the age of 16 can be employed in street trad-

of employment will be repealed, as will provisions in the Mines and Quarries Act 1954.

ing unless employed by the child's parents.

For sale is easy to place anywhere in the world - it's just waiting for you to move in! The office ship is 148 feet long and has been transformed from its original shape (Nor-wegian passanger ship built in Troutheim in 1963) to its present one as a motorp place of work with all the necessary equipment: telephone switchboard with 10 extensi - skylight - fixed carpets - white - interior design Alver Alto - Chu - prepared for computer technolo SEO square, just waiting for you to more ful nine offices - one manager's office with ber, all in meho - seloon with box all in interaction 35 so.m. kitchen with two overs, icecube machine, barberne grill, etc. 5 bethrooms with jucture bubblebath etc. contential of 18 beds changed to office provises, extendiors at area by an <u>additional</u> 2004

Very mitable for company with up to

or as an ides project within the following: The office ship is 100% ready to safe

The office ship is centrally situated in the heart of the barbour of Copenhagan, but i he barbour of Copenhagan, but it to dock any other place in the work the English colours and ow, any in Gibraltar the comparis flying the En

Price £ 400,000 met cash ng may be arranged.

30 1.4.

at+ 45 0 1435 15

I.G INDEX LTO, 9-11 GROSVENOR GARDENS, LONDON SW1W OBD Tel: 01-828 7233/5699 Reuters Code: IGIN, IGIO FT 30 Dec. 1457/1466 -12 Mar. 1470/1479 -12 Mar. 1804/1814 -20 Mar. 2122/2134 -4 Mar. 1804/1814 -20 Mar. 2122/2134 -4

Prices taken at 5pm and change is from previous close at 9pm

SHE WALKED PAST, INTO LOWER REGENT STREET. IGNORING EROS, FOR ONCE SHE DIVED DOWN THE UNDERGROUND, THOUGH SHE NEVER TAKES THE TUBE. <u>.</u> WE SURFACED FROM THE SUBWAY. a a the second second second as a second "YOU KNOW I'D FOLLOW 404 TO THE ENDS OF THE EARTH, BUT WHY REGENT STREET?" IQUERIED. "GARRARD" WAS HER ANSWER. "IT'S ABOUT TIME." 1. 1. 1. 1. ROLEX

THE CROWN JEWELLERS

Ŵ

112 REGENT \$T. LONDON WIA 2JJ . TEL 01-734 7020 YURAKUCHO SEIBU . TOKYO . TEL (03) 286 0111

"WATCH YOUR) *** DY** LANGUAGE?'



Playing host each year to 36 million people from all over the world is no easy task. Here, noted manwatcher **Desmond Morris** treats us to a lighthearted look at some of the deadly, but unintentional, gaffes that can so easily occur when cultures collide at Heathrow, the world's premier international airport. To find out more about the eyepull, the ear-tug, and the celebrated Greek 'moutza' now read on

I'm never hored at airports. Quite the reverse. I visit them like other people go to the ballet. To a Manwatcher, there's nothing more fascinating than ohserving citizens of different countries mingling and exchanging body signals.

And nowhere is the performance so enjoyable as at Heathrow, the world's top international airport.

Day and night they pour in, a cast of 36 million a year from every corner of the globe.

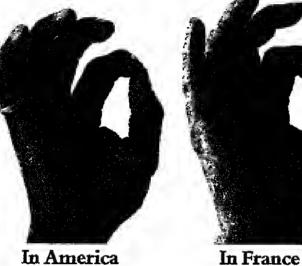
Where else but Heathrow could you hope to see Brazilians rubbing shoulders with Brahmins, Poles with Polynesians, Madagascans with Minnesotans and Neapolitans with Nepalese?

Harvey Smith manner. With 22,600 orders for cups of tea open to misinterpretation every day, the wonder is the place functions at all.

It's so easy to give offence. Suppose a passenger asks at the Information Desk where he should go to pay his airport tax.

Now the good news is that at Heathrow, unlike many airports I could name, passengers don't pay any taxes. But just as the Information Assistant hegins to say so, she is assailed by a tremendous itch and tugs at her earlobe.

Astonishing though it may seem, this simple gesture means five different things in five different Mediterranean countries.



In America this means 'A-OK'

it means 'zero? Depending on his nationality, the Assistant has

Unfortunately, at the time he is glancing at a Colombian who is enjoying a fine Burgundy with his steak Bearnaise. The Colomhian, enraged by the deadly obscenity which he assumes is directed at him, chokes on his wine and catches at his nose with finger and thumb.



The Punjabi Snake Tongue means 'you're a liar.'

This appalls a Syrian sitting opposite, who thinks the Colombian is telling him to 'go to hell'

The Syrian is restrained with difficulty by his Greek colleague from getting up and punching the Colomhian on the nose. Meanwhile the maitre d' hurries over and attempts to calm the situation with two out-thrust



palms. This of course is taken by the Greek to be a

COMMER

New_/

· . . .

Nacak

"* Correction

° 7.

20 a. .

28 m a. 1

De Fuad

De Obereite

Ĩ. - i i

÷.,

This means five different things (four of them insulting) in five different countries.

Intelligence or stupidity? It depends whether you're Dutch.

Each nationality has its own language of posture and gesture. But since these body-lingos are often mutually incomprehensible, an innocent gesture made in an airport lounge may well be an unwitting insult.

Something in your eye? Think before you touch the lower lid. If a Saudi 🐉 sees you, he'll think you're calling him stupid, but a South American senorita will think you're making a pass at her.

There is no greater insult you can offer a Greek than to thrust your palms towards his face. This gesture,

At all costs avoid the Spanish Louse gesture.

called the moutza; is descended from the old Byzantine custom of smearing filth from the gutter in the faces of criminals as they were led in chains through the city. So vile is this insult that in Greece even rhe Churchillian Victory-V is taboo, as it looks

like a half-'moutza' Thus the Cretan or Athenian traveller, ordering two teas in a Heathrow restaurant, will carefully reverse

his palm and give the waiter rwo fingers in the best offered the passenger the following insult:

TO A SPANIARD: 'You rotten sponger.' TO A GREEK: 'You'd better watch it, mate' TO A MALTESE. 'You're a sneaky little so-and-so'. TO AN ITALIAN: 'Get lost you pansy.'

Only a Portuguese (to whom the gesture signifies something ineffably wonderful) would hang around long enough to hear the answer.

Happily, I can report that BAA's information staff are trained in body language.

A Sardinian woman asks if it is easy to find a taxi at Heathrow. The answer she gets is a cheery British thumbs up. (Very likely from one of the 900 cahhies who serve the airport on an average day.) Immediately, she clonks the unfortunate man with her handbag for making such a devastatingly obscene suggestion. This is why, incidentally, it's inadvisable to hitch-hike in Sardinia.

Isn't there at least one truly international gesture? Don't bet on it. A Japanese asks an American passenger

whether Heathrow has a luggage trolley service. It has. And as it happens, this service is not only first class, but FREE! So the Yank replies with the famous 'A-OK' ring gesture. But to the Japanese this signifies 'money' and he concludes there is a large charge for the service.

Meanwhile, a Tunisian on-looker thinks the American is telling the Japanese that he is a worthless rogue and he is going to kill him.

The ring-gesture can have further meanings. A Frenchman has just read a BAA advertisement. Glancing around the restaurant in Terminal 4, he remarks wonderingly ro his wife, 'You know how much zis aeroporr cost the British taxpayer? Not a sou. And he makes the finger and thumb ring which to hun means 'zero'

double-moutza' and in his rage he promptly skewers the unfortunate man with his fish knife.

Of coutse I am exaggerating to make a point, hut I do find it astonishing that Heathrow receives only 8 complaints per 100,000 passengers. Keeping the lid on this simmering rum-punch of international emotions must take every bit as much diplomatic skill United Nations. as running the



To a Saudi this is insulting. To a Florentine deeply flattering.

But even if you're never treated to such a choreography of misunderstandings, the Heathrow ballet is never dull.

Eyes peeled, next time you're there.

. . . .

(And if you spot anything really unusual, like the South American Goitre Sign, or the Hawaiian Missing Bottle Waggle, do write and ler me know.)



Gatwick Edinburgh < Prestwick < Heathrow Glasgow < Stansted Aberdeen 4

Treasury's key

money measure

rising at 73/4%

THE TREASURY'S key Committee on Wednesday that monetary indicator, M0, which the most reliable figures of pri-

the most reliable figures of pri-

vate economic activity cur-rently produced were the financial indicators. M0 is

regarded by the Treasury as a good indicator of the growth nominal demand in the UK.

After interest rates were

raised to 12 per cent in August

there was a general expecta-tion that by November the

economy would have begun to respond to the tightening in

monetary policy. The high growth in imports in October and the continued

buoyancy of M0, however, were

enough for the Treasury to out-weigh other signs that the

economy may have been responding to the previous level of interest rates.

City analysts express disap-pointment that so far that does

not seem to have been the

case. Mr John Shepperd, of Warburg Securities, said that M0 had been growing at an

underlying rate of 7% per cent since the summer.

then; nominal growth is not

Economists expect M0

growth to slow as consumers decide to hold less cash in

favour of interest-bearing

slowing," he said.

"It has not changed since

By Simon Holberton, Economics Staff

measures mostly notes and coins in circulation, appears have continued growing at an

annual rate of around 7% per cent, preliminary figures for

This high rate of growth in M0 is believed to have been

one of the reasons behind the

decision of Mr Nigel Lawson,

Chancellor of the Exchequer, to raise interest rates by 1 per-

centage point to 13 per cent last Friday, although the Octo-

ber trade figures released that day were the catalyst for the

move up. The Bank of England yester-day released its last weekly

banking report for the banking month of November which showed that notes in circula-

tion were 7.73 per cent higher than in the corresponding

whole, and making adjust-ments for coins in circulation

and banks' balances with the

Bank, analysts in the City esti-mate that M0 grew in Novem-

ber by between 7.75 per cent and 7.9 per cent. In October, M0 was growing at a rate of 7.7

Mr Lawson said in evidence before the House of Commons

take place until the Property

Services Agency had been

restructured

Taking the month as a

week of 1987.

per cent.

November sugges

g at a

ith his

沙 the at him.

: with

:humb.

UK NEWS

Electricians review single-union deals

THE EETPU electricians' affecting the business. mion is to review its contro- One full-time official told the union is to review its contro-versial strategy of signing sin-gle-union, no-strike deals. The decision follows a seminar which revealed consider- advisory committees. One

It will be the most fundamental review yet of a strategy which became the most controversial innovation in industrial relations when it was introduced seven years ago. The EETPU was expelled

from the Trades Union Con-gress, the national federation of unions, in September for ref-using to implement its instructions from the body to withdraw from two single-union, no-strike agreements.

The union's seminar, which was attended by full-time offi-cials, shop stewards and managers from some of the compa-nies at which the union has signed no strike deals, was convened to review the progress of the agreements. It disclosed

sion making, regular consultation and employee involvement

The RETPU argues that one of the benefits of the agreements is that they increase the influence of workers in deci-sion making through company councils of managers, workers, and nnion representatives, which regularly discuss issues

By Charles Leadbeater, Labour Editor

seminar that several companies were simply not convening the union and management able frustration among shop steward complained that the stewards with the operation of gap between management and stewards with the operation of the union's current deals. workers was widening rather than narrowing, while others said that companies were tak-ing advantage of the concilia-tory approach to industrial

relations without delivering any benefits to their workers. While senior EETPU officials remain convinced of the value of the no-strike agreements, and intend to continue signing them, they plan to institute a review of how they should be

made more effective Mr Roy Sanderson, the EETPU national official regarded as the architect of the strategy, said there might be a case for renegotiating some of the agreements and building into new agreements a clause which would allow for their

The union may introduce a clause into the agreements committing companies to undertake such training. But full-time officials believe they may also have to take a tougher approach to some companies to ensure they implement all aspects of the deals. In addition the union plans

to develop the no-strike package, to inclode commitments from companies to provide workers with job related training and forms of profit-sharing. | hensive of its kind.

statement

Net income before taxation

Net income after tauntion

able to o

(R million)

Net income

- trading

Tavation

-other

Compensation deal agreed by most Piper Alpha families

هكنامنالأجل

Financial Times Reporter

MOST OF the families of those killed in the Piper Alpha disas-ter have accepted a compensa-tion offer from the Occidental oil company, it was disclosed yesterday.

A fire and explosion on the North Sea oil platform in July this year killed 167 workers.

Mr David Burnside, spokesman for the Piper Disaster Group, said it was "the end of a chapter but not the end of a very long book", after the group met in Aberdeen.

He said it was not realistic to expect the compensation money to be paid before Christmas because legal work still had to be done. not been forgotten. He said:

He said that in six cases fam-ilies were considering taking Occidental to court in the US the side. It's sadly the case that where damages could be much

Details of the compensation been lost." package – described by Mr He said t Burnside as a "first class deal" - have not been released officially. But it is understood that the average pay-out will be about £600,000 for a widow with two children. In some cases the eward could be

higher, reaching more than £1m. Mr Burnside, an Aberdeen solicitor, emphasised that the survivors of the disaster had

you can work out more readily compensation where life has

11

He said the legal group was pressing ahead with obtaining medical and psychiatric reports which would be used to obtain full compensation for those who survived the disaster

> Some 73 legal firms were rep resented at yesterday's meet-ing. A further 20 firms sent letters to the legal group indicating in most cases that their clients were willing to accept the deal.

Graduates seek jobs in finance

duates, with 56.4 per cent of

work, 17 per cent into manag-ment, administration or com-

pnting and a further fifth into

literary work including the media. By contrast, only 15 per

cent chose scientific engineer

By David Thomas, Education Correspondent

MORE graduates are choosing financially based carears despite last year's stock mar-ket crash, while the problems of attracting students to study This pointed to continuing intensified competition for graduates, with one part of grad-the 71,500 new university graduates last year going straight engineering are intensifying, university and polytechnic careers advisers said yesterinto full-time employment and unemployment among univer-sity graduates standing at 5.9 per cent, the lowest since 1982. Of those taking permanent jobs, a fifth went into financial

Careers officers have also noticed sharply increased competitition among employers for graduates, with some employ-ers offering to pay bursaries to third year students and others spreading their traditional recruitment net beyond the universities to polytechnics. Members of the Association

ing or technical research and a further 4 per cent opted for of Graduate Careers Advisory construction including civil Services were speaking on pub-lication of their annual survey of the career choices of new engineering. Ms Pat Raderecht, chairman of the careers' assocition and graduates, the most comprecareers officer at Bristol University, said financial work

992

Anglo American Corporation

of South Africa Limited

(Incorporated in the Republic of South Africa)

Interim report and dividend

for the six months ended September 30 1988 (unaudited)

1 015

1410

1 204

206

157

274 121

Six months ended Year ended 30.9.87 31.3.86

430

132

572 101

471

60

10

No 01 05909 06

sheet

(R million)

Consolidated balance

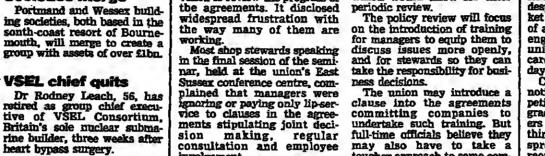
Ordinary shareholders' equity

Capital and premium Non-distributable reserve Retained earnings

bad continued to prove popular and engineering unpopular with this year's graduates, althoogh there had been some revival in interest in civil engineering.

The popularity of the finan-cial sector had held up well. However, there were signs that this year's graduates had pre-ferred those routes which they deemed to be safe, such as chartered accountancy and high street banking, to jobs in the City of London financial district with stockbrokers or foreign banks, which were considered still riskier. This was reflected in fewer

new graduates attracting salaries at the top end of around £17,000. Careers officers believe the average starting salary for new graduates this year to be about £9,000.



lysts working away from home for long periods. The UK computing services industry is warning that if the Revenue does not concede that such expenses should be exempt from income tax, the cost of its services will have to go up. and the industry will become less competitive.

The Government, ironically, could be seriously affected as it

paid to programmers and ana-



The accident rate among trainees on the Governmentrun Youth Training Scheme has risen steeply in the last three years from an average of 59 accidents per 100,000 train-ees in the third quarter of 1985 to 138.2 for this year's third

The agency, which manages the Government's estate, has an annual turnover of £3hn, of which £2hn is spent on design and construction projects. It was the largest design and would have unfettered scope to sell its expertise and services to the private sector, said Mr construction organisation in Chope. the country, said Mr Chope.

City's liking for short-termism 'hindering true venture capital'

PSA sale 'an option' Nectar Cosmetics, a beauty products group in Northern Ireland, is to create 293 jobs in a £6.3m, three year scheme. The group at present employs By Andrew Taylor, Construction Correspondent Mr Nicholas Ridley, Environ-100.

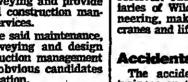
PRIVATISATION of a large part of the Property Services Agency was an obvious option which would have to be considment Secretary, proposed ear-lier this year that the agency be divided into three separate ered very carefully by the Gov-ernment, Mr Christopher Chope, junior environment. business areas. These would manage the

before the House of Commons accounts with building societ-Treasury and Civil Service ies and banks.

Government's property portfo-Chope, junior environment, minister, said yesterday. Mr Chope, speaking at a building industry seminar in London organised by the Royal Institute of British Architects, said privatisation could not lio, carry out maintenance and estate surveying and provide design and construction mannent services.

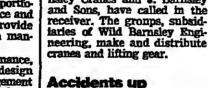
Mr Chope said maintenance, estate surveying and design and construction management would be obvious candidates

for privatisation. One obvious advantage of privatisation of the agency would be that the agency



Accidents up

quarter



In Brief

Korn/Ferry

agree terms

for merger

THE BRITISH practice of

Korn/Ferry International, the international headhunter, is to merge with John Stork Inter-national, a rival firm, Michael

Skapinker wittes. Korn/Ferry said the merger would make it the UK's biggest executive search company.

Mr Stephen Rowlinson,

chairman of Korn/Ferry in the

UK, said the combined firm would have an annual fee

He said that Korn/Ferry was

particularly attracted by John Stork's Scandinavian practice. Although Korn/Ferry has prac-

tices in nine cities in Continen-

tal Europe, it has no Scandina-vian offices. John Stork has

offices in Stockholm and Goth-

Societies merge

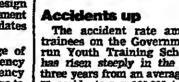
VSEL chief quits

Nectar jobs

income of about £7m.

enburg.

and Stork



v by his hing the maitre 👌

۷

io thinks

SAN THE LASS Accession in retroit (h) oral." " 1 Nati - 5

t means

108 TO 22 4

State 5 4.27 1

180 - 21.00

you?

By Charles Batchelor

sufficiently attractive environment for young companies by particularly at the very small end of the market, Mr John Nash, chairman of the British Venture Capital Association, said yesterday. The statistics for company start-ups were encouraging.

said

but the great majority of these companies were set up to provide the owner with a comfortable existence or as a substitute for paid employment rather than to create substan-tial wealth, he told the BVCA/ Financial Times Financial. Forum in London.

The inclusion of assured tenancy property ventures in the **Business Expansion Scheme** (BES) in the last Budget meant it would be a long time before BES investments went into BES investments went into gemine, early-stage businesses which created jobs and wealth or which involved high tech-nology. Mr Nash said. He described the BES - which gives tax advantages to investors in certain approved ventures - "a missed opportunity."

Despite the rapid growth in BRITAIN HAS yet to create a the amounts of money invested venture capital organisations in Britain the popularity of management buy-outs and buy ins meant that very little of it had gone into early stage or technology companies.

Venture capitalists were venture capitalists were bound to put their money where the best returns were and buy-outs did contribute to the restructuring of industry. Nevertheless, the City of Lon-don's obession with short-termism made it very difficult to raise true venture capital, he

Britain remained light years behind the US in terms of ven-ture capital, particularly in the field of technology. Fewer than 15 per cent of British venture capital investments in 1987 involved technology, compared with the US where 75 per cent of funds invested since 1960 had gone to technology ventures

The main problem facing the British venture capital indus-try was a lack of good young of managers now if the sector companies and good people is not to lose momentum, Mr prepared to manage them, Mr Nash said.

Nash said "The UK venture capital industry has clearly failed in large measure to attract professional management into young companies as opposed to man-agement buy-outs or buy-ins," he added

To meet this problem the association is stepping up its long-running campaign to per-suade the Chancellor of the Exchequer to give BES-style tax breaks to managers who run new ventures. At present passive investors in these companies are exempted from paying income and capital gains taxes but the managers themselves are not.

The effect of the equalisation of income and capital gains tax rates in the last Budget had been to make it less attractive for managers with large com-panies to leave and set up on their own. The venture capital industry could not wait for the cuts in income tax rates to nake managers rich and thus willing to strike out on their own. It needed a constant flow

is an important customer for computing services. Its proects, the computerisation of the Inland Revence among them, are mostly long term, involving computer experts in years rather than months of work on site. Computing services compa-

nies frequently provide specialists - programmers and systems analysts - who work at a client's premises rather than in their own offices, a practice known as "body shopping". Such contracts often involve travelling considerable distances and living away from home for periods of up to a year or more

Companies have conventionally paid their staff the travelling and living expenses while engaged on such projects without deducting tax, on the grounds that the expenses are necessarily" incurred in carrying out their jobs.

There have, however, been skirmishes over these expenses between the Revenue and the computing services industry, represented by its trade body, the Computing Services Asso-ciation (CSA), since the 1970s. Matters have now come to a

head during negotiations to establish that the Revenue, as a concession rather than a right, would allow expenses to be paid free of tax if a specialist was away from home for no longer than a year. The CSA had been seeking to establish guidelines that both its mem-bers and the Revenue could accept as fair and reasonable.

The CSA says the Revenue is insisting that to qualify for tax relief on expenses, computer staff must have a regular place of employment where they work at least 50 per cent of the year. Similar restrictions have been applied by the Revenue to other service industries.

To the Holders of

A. F. I. Atlantic Financial International N.V. Secured Adjustable Rate Notes due 1994 In accordance with the provisions of the Notes, online is hardly given that for the internet period beginning November 30, 1988 and rading February 27, 1989, the Notes will carry an interest rate of 9.00% per assum-interest psyable per \$50,000 principal amount for this generest period is \$1,106.56. er 530,000 principal antoline period is \$1,106.56. A. F. L. Atlantic Financial International N.V. By: Paribas Corporation

Date November 23, 1983

shareholders Attributable carelage 459 411 1 037 letained earnings of associated 555 227 772 COMPONINCS 638 13 1 809 Equity accounted carnings Extraordinary items 1 018 449 70 2 258 Earnings after extraordinary items Transfer to non-distributable reserve 651 247 1 688 \$14 1 258 ailable for distribution 404 143 1 000 474 Ordinary dividends 161 516 Retained earnings for the period 313 261 484 Earnings per ordinary share - cente - atributable 453 790 260 443 179 279 - emily accounted Based on the market value of Ested invest

Six months ended 30.9.65

476

10

677

132

545

86

Dividends per ordinery share - cents - interim - final 78.9 62.5 62.5 162.5

Notes:

1. References to ordinary shares, ordinary shareholders and ordinary dividends include the S ordinary shares which rank pari passu in all material respects with the ordinary shares.

Particulars of the Group's interests in listed associated companies and general investments are as follows:

Auronalistant an annualise	No.4.54 R million	30.9.87 R million	A1 31 3.88 R million
Associated companies Market value Canying value	17 400 5 554	24 491 4 245	15 250 5 174
	11 846	20 246	10 076
General investments Mariot value Book cost	2 748	4 433 241	2 683 305
•	2 375	4 192	2 378
Appreciation Outside shareholders' interest therein	14 221 2 127	24 438 2 642	12 454 1 576
	12 094	21 796	10 878

Particulars of the Group's capital expenditure, which relates almost entirely to the operating subsidiaries, are as follows;

	At 30.9.86 2 million	30.9.87 R million	At 31.3.68 R million
Capital expenditure for period (net)	85	133	- 237
Capital expenditure commitments (net)	422	638	585

4. There are no material changes in contingent liabilities from those disclosed in the latest annual report.

Comment

Autributable earnings for the six months ended September 30 1989 rose by 12 per cent to R459 million (200 cents per share) from R411 million (179 cents per share) for the corresponding six months of 1987. Equity accounted earnings increased by 60 per cent to R1 018 million (443 cents per share) from R538 million (279 cents per share). The interim dividend has been increased by 12 per cent to 70.0 cents per share from 62.5 cents per share.

Income from investments at R476 million was 11 per cent higher than the comparative R430 million, the increase being largely attributable to higher dividends from diamond, mining finance and industrial interests. These increases were partially offset by a 6 per cent fall in dividend income from gold and wanium mixing interests resulting in a drop from 45 per cent to 80 million with the back in bubble case to interest the per cent to 80 million at the per cent back is a strategies of the per cent to 80 million at the per cent back is a strategies of the per cent to 80 million at the per cent back is a strategies of the per cent to 80 million at the per cent back is a strategies of the per cent bac 38 per cent in the contribution by this sector to investment income for the six months. This decrease arose because the rand gold price rose by only 10 per cent in the first six months of 1988 compared to the corresp period in 1987, whereas costs, on a similar basis, increased by 18 per cent. In addition manium profits were significantly lower in the six months to June 30 1988 due to a rescheduling of deliveries into 1987, and gold grades were also lower.

Trading income increased by 45 per cent to R191 million from R132 million due mainly to Anglo American Coal Corporation Limited's (Amcoal's)

Preferred capital Outside sharebolders' interests in	5	5	5
subsidiary companies	1 135	1 026	1 129
Total ahareholders' Interests Loan capital Loans from associated companies	9 880 210	7 761 211	9 084 213
and others Other Rabilities	1 949 856	1 881 720	1 810 965
	12 895	10 573	12 072
Represented by:			
Investments Fixed assets	8 878	6278 2011	7 313 2 141
Stocks and debters	2 211 858	648	808
Deposits and cash	1 748	636	1810
	12 895	10 573	12 072
Number of ordinary shares in issue	230	229	229
Net asset value (after providing for		13 777	8 536

30.9.85

167

4 923 3 650

8 740

30.9.87

118

3 550 3 062

6 730

31.3,88

128

4 537 3 285

7950 5

improved results from increased sales, higher US dollar prices for exports and a weaker rand/US dollar exchange rate. The increase in taxation and a large part of the increase in outside shareholders' interests in earnings are ttributable to Amcoal's improved results. Other net income v unchanged at R10 million; higher prospecting costs and lower surpluses on realisation of investments having offset other improvements.

Retained earnings of associated companies, which are transferred to non-distributable reserve, were R332 million higher at R559 million, an increase of 146 per cent. Atmost half of this improvement arises from the much higher equity accounted earnings of the diamond interests from the relatively low base in the first half of 1987. In addition industrial and tes recorded significantly improved earnings enhanced by the weaker rand.

Although difficult to predict, attributable earnings are expected to show a rate of increase similar to that recorded for the first six months but the rate of increase in equity accounted earnings for the year ending March 31 1989 is expected to be lower as the rate of growth in equity accounted earnings of diamond and offshore associates between the first and the second balves of 1987 is unillarly to be repeated in 1988.

For and on behalf of the board

per 30 1968 and the di

and the directors' valu cuts at March 31 1968

G W H Relly J Ogilvie Thompson Directors

Dividend

On Thursday, December 1 1988, the directors of the Corporation declared interim dividend No. 105 on the ordinary and S ordinary shares as follows: Amount (South African currency) 70 cents per share Last date to register for dividend (and for changes of address or dividend instructions) Friday, December 23 Registers closed from to (inclusive) Saturday, December 24 Saturday, January 7 Ex-dividend on stock exchanges: Johannesburg Tuesday, December 27 Wednesday, December 28 -London Currency conversion date for sterling payments to shareholders paid from London Tuesday, December 27 Thursday, January 19 Dividend warrants posted Friday, January 20 Payment date of dividend Rate of non-resident shareholders' tax 14.59755 per cent The full conditions relating to the dividend may be inspected at the Johannesburg and London offices of the Corporation and its transfer Secretaries. By order of the board December 2 1988 CL Maltby Secretary London office: 40 Holborn Viaduct London EC1P 1AJ Head office: 44 Main Street Johannesburg 2001

Copies of the interim report will be posted on or about Tuesday, December 6 1938.

By order of The Trustee in a Bankruptey in compliance with terms of a Court Judgement PUBLIC AUCTION NOTICE VAST OUTSTANDING STOCK AUTHENTIC GENUINE ALL HANDMADE PERSIAN RUGS & CARPETS and other exceptional and unique Bastern Carpets, Rugs and Rumers, and Silk Masterpiece Rugs of major importance and value, including magnificent examples from Lifakan, Nain, Quoom, Srinagar, Anazolia, Afghanistan, China etc. in sizes from 2' x 1' to extra large. fering. Following issuance of writ and subsequent Court Judgement all remaining disposed of PIECE BY PIECE 19 (A) SHORT NOTICE PUBLIC AUCTION he that and SUNDAY, 4th DECEMBER, 1988, AT 11.00 a.m. At security warehouse where this important portion has been discharged: SKILLION STORAGE WAREHOUSE 71 Bondway, Vauxhall, London SW8. waturi trustie Terms: Cash, Certified Cheques, Major Credit Cants INSPECTION ONE HOUR PRIOR TO AUCTION 144.00 Traine's agait BICKENSTAFP & KNOWLES, 6, The Arcade, Tanico Street, London SW7 2NA. Tat 01-589 7971. JOE F **Camden Contract Hire** ast profit draws NATIONAL INFORMATION CENTRE (0525) 851555

IDZ-

121411-001

÷.**

and a second state of the second state of the

TECHNOLOGY

More than a new computer to IBM

The AS/400 presents a crucial test of the US company's strategy. Alan Cane reports

machines to date. The comdemand for larger systems and is constrained at the top end

by a shortage of components. The installation figure is given credence by production figures from the highly automated Santa Palomba plant, where an AS/400 can be assem-bled in seven minutes. Physi-cal and electronic testing takes substantially longer, but even

cess of the AS/400 - an musu-ally wide range of machines so, the plant is turning out more than 60 AS/400 systems ranging in price from less than £20,000 to £460,000 — is criti-cally important. "Success" on a good day, suggesting a world-wide production level of between 45,000 and 50,000 takes on a special meaning in this context because the commachines a year from the three manufacturing sites. "Manufacturing" is perhaps the wrong word these days. Even the largest AS/400s, capa-ble of supporting more than mercial success of the AS/400 was virtually assured before

the machine was launched. It was designed as the replacement and upgrade for IBM's 300 users simultaneously, are assembled rather than manupopular but ageing mid-range offerings, the System/36 and factured. There is no hint of System/38, some 275,000 of which had already been the spaghetti-like backplane wiring which characterised computers of the 1960s and installed world-wide. There was, therefore, sub-1970s; no obvious solder joints to fail. stantial pent-up demand for

the greater processing power and broader facilities offered by the AS/400. Several hundred were installed on the day of the launch in June this year and a claimed 1,500 within two weeks. Although IBM will not yet give world-wide installa-tion figures, analysts believe it trical connections marrying up easily. Zero insertion force (Zif) less than 25,000 cannot be

is the term for this advanced assembly method. At all three sites, IBM uses flexible manufacturing tech-

niques, integrating shop floor activities through computer control and keeping inventory to a minimum with just-in-time methods. The AS/400's significance to

the company goes far beyond conventional measures of prod-



Stephen Schwartz

uct success. It is important to IBM for four reasons: • Its performance will largely determine the company's abil-Instead the silicon chips come ready mounted on their printed circuit boards in spe-cial packaging which IBM calls Phoenix and Corinthian. The packages slide into place in the computer framework, the elec-trical connections marrying up ity to capture a significant share of the rapidly expanding mid-range computer market. • It will be an important test of the new line-of-business strategy, implemented earlier this year.

Its development is the

model for the new and remark-able openness with which IBM seems anxious to treat its cusseems antious to treat its cus-tomers and industry partners. It is the first of IBM's prod-ucts fully to embrace the prin-ciples of systems applications architecture, IBM's important but poorly understood blue-print for the future of data pro-cessing

cessing. First, the mid-range com-pnter market: only software and personal computer markets are growing faster. It includes many thousands of companies which are using computers for the first time or are looking for computer systems which will grow with their business. IBM's existing S/36 and S/38 customers are certain takers for the AS/400 unless it proves a technological disaster. But IBM also has to win and satisfy customers who to date have found offerings from Digital Equipment and Hewlett-Packard more attractive.

There are signs that IBM is achieving its objectives with the new range. Stephen Schwartz, general manager of IBM's application business systems division which covers systems invision which covers medium-sized computers, says of the AS/400: "We have strong, acceptance world-wide and a large percentage of the busi-ness is going into accounts

that have not had a S/36 or a S/ 38 before. About one third of the orders, in fact, are from new users."

. . . .

His views are backed up by market specialists like Alan Vickery of JBA Computer Systems in Birmingham, a software house and IBM agency, Paul Sinclair of BIS Banking Systems which markets Midas, one of the most successful mid-range products, and Simon Williams of Synon, a UK soft-ware house that has developed a leading fourth generation language (a program that gen-erates programs) for the IBM mid-range families.

What do IBM's competitors think? "It is a good machine," says Nico Hildebrand, market-ing director for Wang, com-plaining only that its capabilities in office software and image processing, two of Wang's strengths, are limited. Nevertheless, the impression remains that the AS/400 has

yet to fulfil its potential. The new models are well regarded rather than world shattering. Myron Kerstetter, mid-range specialist with the Gartner Group in the US, believes it is too early to say whether the AS/400 will prove a hit with new users. Gartner found a high level of satisfaction rather than euphoria among early customers.

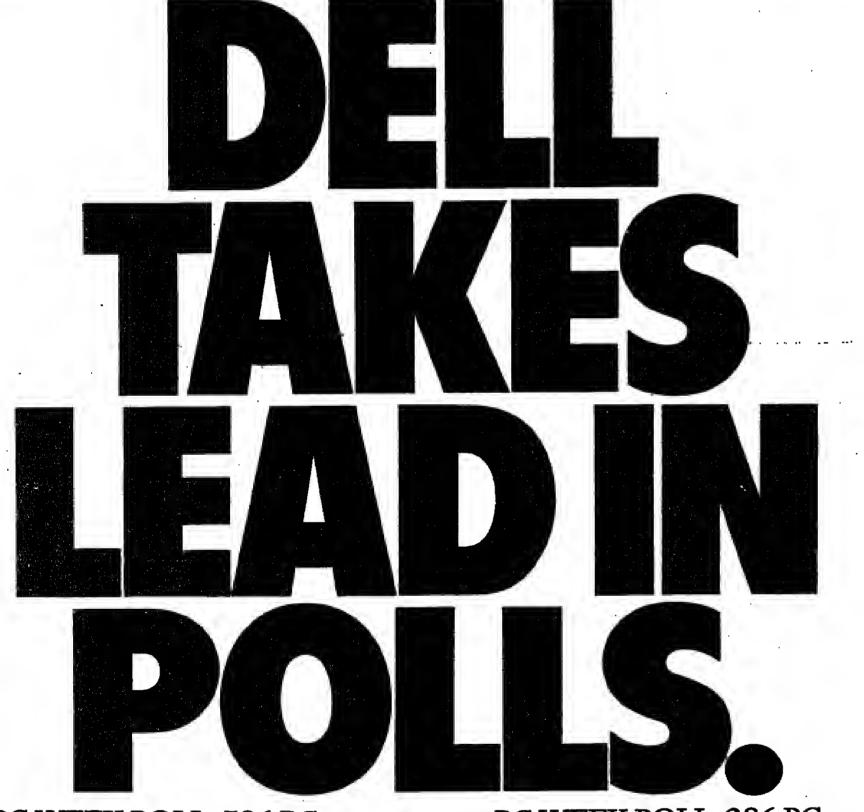
Second, its role in IBM's line of business strategy: at the beginning of the year, six prod-uct lines of business were created. Mid-range systems is one, the othera are msinframes, communications, technology products, desk-top systems and

The glua holding them together is a seventh division. applications systems, con-cerned with solving customers' data processing problems. The aim, says Schwartz, is to drive the business from the marketplace: "Before we used to drive our business in a lot of areas by doing what our laboratories sught it would be terrific to do. Sometimes they were right, sometimes not.

"Now the important thing is prioritisation. We ware not exactly cut off from the market before, but now we can be more responsive to emerging opportunities. It sounds simple, but it is more difficult -and more attractive."

It all ties into the new open-ness with which IBM, tradi-tionally the most secretive of companies, is beginning to do business. AS/400 development was the test vehicle.

Schwartz explains: "Very early in the development cycle we brought representatives from three areas, our field marketing organisation, our busi-





An AS/400 undergoing elec at Santa Palombe, to measure to and radio-frequen жy

ness pariners (software and systems houses writing cus-tomer applications software) and our customers into the development centres. It includes 750 systems engineers, hundreds of business partners and 100 customers."

BIS and Synon were able to convert their products to AS/ 400 well before the launch. The result was that a host of enhancements and applications software were ready at the time of launch. Schwartz says that John Akers, IBM's chair-man regards this as the new way of doing business. "The benefits to our customers so outweigh the potential minuses through loss of confidentiality that it is clearly the right way to do it." AS/400 is the first IBM computer family to be built around the concept of systems applica-

tion architecture (SAA), a set of rules and concepts which should ensure eventually that all IBM computers, from hara are nurturing the seeds of micros to mainframes, obey a data processing revolution.

common standards in methods of operation, programming and interconnection. This is IBM's answer to its numerous, income patible computer dottins, sithough many argue that it remains a wish and a promise

rather than a reality. Charles Brett, a UK-based consultant specialising in SAA, has toured IBM's principal US software centres (Raleigh, Vir-ginia; Ballas, Tenas; Santa Ter-esa, California) and says that SAA is much closer to comple-tion than most believe.

The AS/400, while not per-fect, is the closest IBM has come to an SAA machine. "AS/ 400 has enormous SAA potential," he says, but it was rushed to market before this could be fully accomplished. "The remaining elements can be slotted in with consumate

ease. It is the model for the intelligent workstation." So it could be that Santa Palomba, Rochester and Guadala-

Speak to me only with thy teleprompt

By Paul Abrahams

IF AN executive were asked to list his worst fears, giving a speech would jostle for pole position with the news that a merchant bank was buying shares for an unknown predator.

software necessary to edit and display the text in only 28k of memory on a Commodore 64 a computer usually only mar-keted as a games machine.

The MRVP equipment is much cheaper because it can use this low-price machine

12

🗙 anta Palomba, Italy, in

the gentle countryside of the mezzogiorno south of Rome, is one of the three sites where Inter-national Business Machines

manufactures its AS/400 midrange computer family, strate-

gically its most important product line since the System/ 360 mainframes of the 1960s. Santa Palomba, working with IBM's Vimercate factory

in northern Italy, supplies AS/ 400s to Europe, the Middle East and Africa; Rochester, Min-

nesota, supplies North Amer-ica; Guadalahara, Mexico, the rest of the world.

For the world's largest com-

puter manufacturer, the suc-

PC WEEK POLL: 386 PCs

	Overall Score	Vendor Support	Overall Compat- ibility	Relative Price
Dell Computer: 386	84	. 83	86	86
Compaq Deskpro 386 Model 40	81	73	89	59
Zenith Model Z-386	79	73	84	81
IBM PS/2 Model 80	78	76	. 78	60
WYSE pc 386 Model 3216	78	77	80	81

Amidst all the razzmatazz of the US presidential elections there were two crucial poll results you might have missed.

PC Week canvassed over 1400 corporate US buyers and their overall vote went to Dell Computer Corporation.

They based that decision on past and resent performance, not future promises (as in that other election).

Without beating about the Bush, Dell was voted number one for overall customer satisfaction, for total customer support. And much more.

We were chosen not just because of the excellence of our equipment. We've created a whole new way to build, sell and support highperformance 286 and 386 systems, based on a

- -----

whole new relationship between customer and manufacturer.

Our support came from some of America's toughest customers in the face of some pretty tough competition - IBM, Compaq, Zenith, AST and nine others. We beat IBM hands down, in performance, support, even in compatibility.

The surveys are quite an eye-opener. For anyone, that is, except us and our customers. And the results will come as no surprise to the increasing number of companies who have discovered Dell UK since we started trading here in 1987.

Dell is fast becoming a major force in the British PC market. To find out what our winning formula can do for your business, send in the coupon or ring 0800 414535.

PC WEEK POLL: 286 PCs

	Overall Score	Vendor Support	Overall Compat- ibility	Relative Price
Dell System 200	83	86	87	87
AST Premium/286	80	76	89	76
Compaq Deskpro 286	. 78	73	90	58
Zenith Model Z-286	78	74	83	81
IBM PS/2 Model 50	75	73	81	58

COMPUTER CORPORATION DELL COMPUTER CORPORATION, COOKHAM ROAD, BRACKNELL, BERKSHIRE RG12 1RD. TEL: 0344 860456.

0800 414535

Public sector purchases may buy at different term through HMSO. Call (0603) 695257 for details. I want to know how you did it. Please send me the latest Dell Information Pack. Return this coupon to Dell Computer Corporation, FREEPOST (RG 1462), Bracknell, Berkshire RG12 1BR or fax on 0344 860187. Company. Address

 Postcode	-
	FT/L/A

making is all too common. The executive is unsure whether he should write out the speech in full and then read it, thereby giving the audience a full view of his receding hairline; or whether to write the speech in outline and then ad-lib while

boldly facing the audience - a boldness, alas, not always justified. However, his - or her -difficulties could soon be over.

A new system of conference prompting is available which allows a lecturer to look at the andience while reading a pre-pared script. As usual, it's done with mirrors. The system, snpplied by

MRVP International, of Sand-wich in Kent, is similar to the teleprompting equipment used by both Ronald Reagen, the US Prasident, and Margaret Thatcher, the UK Prime Minister. The difference is that the new equipment is available at affordable prices. MRVP says that the system is easy to use. The text of the

speech is entered into a Commodore computar either directly or from a standard IBM-compatible personal com-puter. It is then transmitted digitally to a black and white monitor where it is displayed in reverse and then reflected on a glass stand in front of the speaker. As he reads the script, he can vary the speed at which the text scrolls with a handheld device.

"We've achieved two techno-logical breakthroughs with our teleprompting system," says Michael Redgrove managing director of MOVD director at MRVP. Redgrove explains that the first achievement is one of

price. Previous teleprompting systems needed expensive dedi-cated computers to create a smooth scrolling action. However, at MRVP, program-mers were able to write the

while still providing 2,000 lines of text - about half an hour of speech. A basic system including monitor, reflective stand, lectern, software and computer

costs £3,250. The second breakthrough is thanks to Pilkington, the UK glass company, which supplies a special glass to reflect the text. The glass, which is extremely light and strong, was developed from a product designed for helicopter cockpits. It is coated on one side with titanium dioxide. This

with transmin dioxide. This reflects 35 per cent of the image of the text on the moni-tor – enough to read clearly. On the other side, the glass is provided with an anti-reflec-tive coating to prevent light reflecting back to the audience. Redgrove says that because the glass is so light, the com-pany was able to fix it to a device that remotely manipu-lates its height and tilt.

Previous systems either changed the height of the podlum on which the individ-ual was standing – a cumbersome and time consuming pro-cess - or could only be used by one speaker per session. The computer attached to the MRVP equipment can store details about tha preferred location of the reflective stand for as many as 99 different orators and position it before they

speak. More sophisticated systems have two monitors and two glass screens, which can be placed on either side so that the person delivering the speech can look at different parts of the audience. A monitor can also be placed

in the lectern so that the

methods and the speaker can look as though he is checking his facts. MRVP international can be contacted at Walton House, Eastry, Sandwich, Kent; tele-phone 0304 614554.

New space communications venture launched in Spain

ALCATEL Espacio has been ALCATEL Espacio has been formed in Spain to centralise and expand the growing busi-ness in space communications currently handled by Alcatel Standard Electrica of Madrid, Spain's leading telecommuni-cations and professional elec-tronics manufacturer. Alcatel Standard Electrica is investing 2.7bn pesetas (SI3m)

Alcatel Standard Electrica is investing 2.7hn pesetas (film) in the new company. It is pro-viding all the 1bn pesetas of share capital and plans to spend another 1bn on building a research centre, factory and offices. The activities of Alcatel Espacio will be closely associ-ated with Alcatel Espace Torated with Alcatel Espace Tou-louse, which deals in satellite payloads, electronic control

centres and satellite management.

The French company will transfer tachnological know-how and train up to 50 Spanish technicians a year at Toulous

Toulonse, Initially, Alextel Espacio will focus on satellite telecommuni-cations systems, digital elec-tronics, microwave technology and related software develop-ment it will ment. It will employ 110 people by the end of next year, rising to more than 200 in 1993. Alcatel Espacio will also act as a subcontractor to Alcatel

Espace on a number of projects and plans to participate in European Space Agency pro-Frammes.

Ŵ

·7.134 11 C

i cra

1. i.e.

1

P_p

1 83

71

Тъ:

ľ

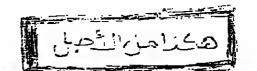


and a

jose

111

1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 -<u>. . . .</u> .



These suppliers have won the Ford Quality Award. But the real winner is you.

11.5 Nacam S.A. Ford European QI Quality Awards are reserved Vendome for the few - those special suppliers who achieve Polynorm the highest performance against Ford's rigorous Bunschoten quality standards. In short, higher quality for you, Pressac Ltd Long Eston the customer 92 suppliers have already joined Rehau-Plastiks AG & Co this elite. Now here are 42 new winners. Werk Feachtwangen Congratulations to them all. Ford salute them. SWF Auto-Electric GmbH Werk Neuses George Angus & Co Ltd Wallsend Gurit Essex AG Freienbach Ed. Scharwächter Werk Hengersberg Gebr. Happich GmbH Autoliy GmbH Werk Braine Eknshom, Schenk Maulbronn Biebighäuser GmbH Härterei Hauck Remscheid : Schmitz & Brill Finnentrop Hoesch-Hohenlimburg AG La Chisiènne Hagen Cluses Seeber AG Leifers INA Bearing Company Ltd Covenity Apex Llanelli Coventry ... Special Products Darlaston Darlaston De Witte Lietaer **ITW-Fastex** Werk Röttingen Lauwe Stahlronr AG Keiper Recaro GrobH & Co Rotarist Diehi GmbH & Co. Werk Rockenhausen Werk Blankenheim Teves Bergneustact Gebr Dingenaus Attendom Gebr. Kemmerich Attendom Tibbe AG Franz Kirsten Endweg Dura Tuffing GmbH ... Bingerbrück Großeninder Uniroyal Englebert Lignotock Eisenwerk Aachen Sontra Brunl Wachendorfi Lukn & Pulvermacher Elektro-Automation Bergisch Gladbach Hagen Erlangen Ymos AG Merit-Werk Fichtel & Sachs AG Werk Waidaschaff Schweinfut Werk Sud Gammersbach Montaplast GmbH Fonderies Montupet

Nogent Sur Oise

Morsbach

AFFECTS 0.002% OF THE POPULATION WHY IS THIS ADVERTISEMENT APPEARING

IF AIDS ONLY

FINANCIAL TIMES FRIDAY DECEMBER 2 1988

EVERY NATIONAL DAILY NEWSPAPER?

The number of people with AIDS, although still quite small, is growing all the time.

14

Not only among homosexuals and drug misusers but throughout the whole community.

Over 1,000 people have died of AIDS in the UK. Almost another 1,000 have it now. However, for every person with AIDS it is estimated that there are thirty with HIV, the virus that leads to AIDS.

<u>التي يد محمد من حوال التي التي التي التي ا</u>

It is possible for a person to be infected with HIV

for several years before any signs or symptoms develop. During this time they may look and feel perfectly healthy.

But, through sexual intercourse, they can pass on this virus to other people. (Who, in turn, can infect others.)

Obviously the more people you sleep with the more chance you have of becoming infected.

But safer sex doesn't just mean fewer sexual

partners. It also means using a condom, or even having sex that avoids penetration.

There is no cure for HIV. (As with other viruses it is quite possible that there never will be.)

AIDS therefore has the potential to be the greatest epidemic the world has known.

And while it may still only affect a few people, its spread is something that now concerns us all.



. • .

New-f

Statutes, and Serie - Internet BCartan Den with are a attende of the Se Commany Constitution in a second the reduction of a

Strate de la constra

The fund 11-

Burn in Lawrence

1. 1. Car 200 - 1. Car

a turen tore of

The Objection

With the state of

And Part Street

و الان الم

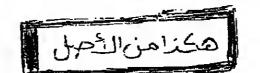
Public Contractor

Six Trace Carriers Curity Card Barrense

AIDS. YOU'RE AS SAFE AS YOU WANT TO BE.

FOR MORE INFORMATION OR CONFIDENTIAL ADVICE ABOUT AIDS, FREEPHONE THE 24-HOUR NATIONAL AIDS HELPLINE ON 0800 567123.

a second second second second second second



MANAGEMENT

Mitsubishi Motors

and buses.

ket. If there is a slowdown, its

Toyoo Tate, MMC president

for the last five years, acknowl-

edges that "competition will become even more severe." But

as the architect of its vigorous

different market segments at

In this way, large trucks are infinenced rather more by expenditure levels in the pub-

different times."

oday, as every Friday, executives from the 28 main companies in the Mitsubishi group will gather in Tokyo to brief each other on developments and co-ordinate policy across an empire which ranges from banking to petrochemicals.

ta

his be

in, Sinh nb.

2.5

- : - **.**

-

and the

¥

₹. ₩4. 7

С.,

2007 / 10 (AP)

try's fourth largest vehicle maker, begin trading on Mon-day in what is also the largest ever flotation of a Japanese private sector company. The move is only one sign of a changing set of relationships as the automotive producer seeks to secure a long-term future worldwide.

MMC started life in 1970 as a project linking Mitsubishi Heavy Industries (MHI), the group's engineering arm, with Chrysler of the US, which took an initial 15 per cent stake. Amid a spate of recent activity,

bowever: ● Revenues of MMC, reaching Y1,752bn in its latest year to March, have outstripped those of its Japanese parent for the first time. Pre-tax profits were Y20.8bn.

Y20.300. • Last month it began US car production at an Illinois plant which MMC and Chrysler have set up on equal terms, with a combined investment approaching \$1ba. • Although a full commitment to Emuga surfice closing and the

to Europe awaits clarity on the rules post-1992, Mitsubishi is teen on further offshore production ventures which, in Asian markets, have not only helped offset the high yea, but also provided useful links out-side the Mitsubishi/Chrysler fold.

• The share issue itself has already thrown forth a hint that MMC management is becoming more assertive within the group as a whole. It criticised the underwriting stockbrokers for placing shares too readily with favoured clients. Nikko Securities, which is leading the flotation, is also part of the Mitsubishi family, and such disagreements in public are rare in Japan.

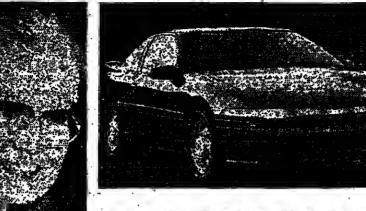
• The listing comes at a time when domestic personal spending is strong but Japanese car buyers are becoming increasingly choosy about style and specifications. In the past year MMC has updated its model range and is currently regaining lost market share.

• Analysis are questioning the According to the Japan Anto-company's ability to remain a- mobile Manufacturers Associa-

Putting its faith

empire which ranges from banking to petrochemicals. They will also be monitoring the closing stages in the Y59.8bn (2265m) flotation of Mitsubishi Motors Corporation (MMC), the world's biggest in-tial equity offering launched since the October 1987 crash. Shares in MMC, the court

Gordon Cramb examines the auto maker's 'head-on' strategy



Toyoo Tale (left) and Eclipse GS Turbo, the first US production vehicle to emerge from Mitsubishi's link with Chrysler

full-line vehicle manufacturer tion, growth in domestic regiswhen any future downturn in trations for new trucks has been running ahead of those for cars in each of the past four demand may leave it struggling to maintain economic production of a range which covers everything from 559cc sub-compacts to heavy trucks years, gaining ground as the Japanese government stimu-lated capital spending. Tate, looking to the competi-tion, observes with satisfac-tion: "Mazda doesn't have

At County NatWest in Tokyo, Sheryl Hogg, describing this as her main worry about these trucks." the company, sees "more and more competition in each mar-In unit terms they constitute

less usan 8 per cent of sales for MMC, but with more than a quarter share of the sector it resources will be severely stretched." as risen to rank second only to the specialist producer Hino. In addition, about 60 per cent of MMC'a unit output is in light vans, pick-ups and other small commercial vehicles where its recent growth has

international expansion he is anxious to dispel the idea that also been ahead of the rate for the industry as a whole. This year's most striking feaany radical rationalisation may any radical rationalisation may be in prospect at home. In an interview in Tokyo he said: "We are spread very widely. We have a history of this... We have to compete head-on." He argues that the spread between cars of all sizes and commercial whiches gives ture, however, has been in the market for compact cars, where MMC's sales in Japan are up more than a third on 1987, or triple the industry average. It is still a distant commercial vehicles gives MMC a more even ride through cycles of demand which affect

fourth to Toyota, Nissan and Honda, but collecting a car-of-the-year award for its Galant four-door sedan has crowned a range redesign which has been widely applanded although, some industry watchers say, overdue. Regular styling changes are

lic and corporate sectors, par-ticularly construction activity. According to the Japan Antoone way in which a car maker can, at a cost, maintain and build on its market position. zaki, leading makers like

According to Tate, other parts of MMC strategy involve the increased use, in line with other manufacturers, of componemis common to various mod-els, and keeping flexibility at a maximum on the production line itself.

At its Okazaki plant near Nagoya, five distinct car models and their variants are produced on a single line, using an MMC-pioneered system which allows differentiation in serial assembly to an extent which its officials believe remains unmatched

Okazaki is the company's most modern car plant in Japan as well as one of its biggest, being responsible for a third of the 600,000 cars it produces within the country each year. With MMC contributing the technology for the joint US factory at Bloomington-Nor-mal Illinois - where output of an initial sports model is planned to near 100,000 units next year - there are parallels between the two which are instructive.

Equipping the Bloomington venture, called Diamond Star Motors, has drawn on other Mitsubishi group companies no less than if it were just another MMC plant in Japan. This includes the supply of about 85 per cent of the 400 or so indus-trial robots used in spot weld-

Fanuc get a small look-in. Japanese manufacturers are known for squeezing margins at tied suppliers, and the difficulties brought about by the strong yen have only reinforced this reputation. But MMC, more junior than those from which it is buying in the Mitmitishi court is unlikely to Mitsubishi group, is unlikely to have that amount of leverage. Mitsuhishi Corporation, the giant trading honse, mean-while acts as the main intermediary for deals ontside the group.

According to Benjamin Moyer, automotive analyst at Merrill Lynch in Tokyo, "The core of the Mitsubishi group is the trading company.... It just means that Mitsubishi Motors may be less able to do things that may be to the disadvantage of the trading company."

He adds that the relationship is not all one-way, and that Mitsubishi Corporation's longestablished connections abroad have facilitated the entry of MMC into markets like Malaysia and South Korea.

It is on the marketing side that changes may become more evident. MMC has derived nearly a quarter of its revenue from exports to the US, supplying under its own name and, with waning suc-cess, to Chrysler

Both sides insist that Diamond Star will add to rather than replace this arrangement. First year output there will be devoted equally to the Mitsubi-shi Eclipse and Plymonth Laser - variants of a budgetpriced coupé which goes on sale next month.

This strengthening of ties has not, however, been echoed hy Chrysler in its dealings with the Mitsubishi family in with the antsubish family in Japan. In rebuilding its inter-national presence the US auto maker formed a separate link recently with the go-ahead Seibn gronp to distribute Chrysler vehicles in Japan.

Each company may from now on do more independently. MMC will use half the share issue proceeds to retire debt, investing the remainder in expansion. The 9.1 per cent of expanded capital being floated will leave Chrysler and subsid-iaries still with more than 20 per cent, a level with which it expresses contentment.

MMC, however, is set to tap the market for further funds "from time to time, looking for specific opportunities," according to Tate. From a standing start, the company is about to enter the fast-lane traffic of the Tokyo Stock Exchange with an impatience which reflects an 18-year wait.

British Quality Awards

Winning by scoring zero

Anthony Moreton on Sony's campaign to eliminate defects

N o quality inspector walks up and down the lines among the 1,500 workers at Sony's television Wales, picking out duff compo-nents and dropping them in the waste bin. Instead, each and every worker is expected to be his or her own quality inspector. Sony has a zero defects cam-

paign within the plant which puts the onus of responsibility on each operator. The company has turned round the usual approach. Instead of "inspect-ing out" problems after they have occurred it attempts to ensure they do not occur in the first place. It is this philosophy that has just won it, along with Express Engineering of New-

Express Engineering of New-castle upon Tyne, one of the two 1988 British Qnality Awards made by the British Quality Association. For Hiro Nakamura, manag-ing director, the award is dou-hly satisfying, though he only draws attention to one part: "Over the last few years a remarkable amount of effort has been devoted to our Zero Defects Campaign to enhance the high quality reputation Sony Bridgend's products enjoy throughout Europe." What he does not state is the estimation that Sony the Spot

satisfaction that Sony, the first Japanese plant to be based in Wales, became the first Japanese company to win the award. Nakamura, after eight years in the principality, con-siders himself an honorary

The British Quality Award Scheme was set up in 1984 to

Business

courses Techniques for integrated Network architecture, the mal-ti-vendor environment. Decembusiness planning. December 5-6, Amsterdam; December 8-9, Munich: December 12-13, Paris; December 15-16, London. Fee: 2595 + VAT, FFrs 6,920, DM Resource Centre, 2 The Chapel, Royal Victoria Patriotic Build-2,080, or other currencies. Details from SAL SBP Semiing, Fitzhugh Grove, Trinity nar, Victoria House, Suite M9, Sonthampton Row, London WCIB 4EF, England. International franchising briefing. December 7-9, Brus-

Financial future and options. January 23-25, Brussels. Fee: BFr 73,000 (non-members); BFr 65,700 (members). Details from Management Centre Europe, Customer Service Department,

per cent perfection can only be encourage individuals or companies to improve the standard an ideal in other than a perfect of a product, process or serworld. "We know things happen in the real world that shouldn't, but we don't at Sony vice. Such improvements are not intended to be a one-off achievement; a candidate's accept that they necessarily record over the previous four years is the yardstick. Previous winners have been Plessey Office Systems, IBM, Rank Xerox, J C Bamford Excavagone a long way towards ach-ieving our goal." tors, Whessoe Heavy Engineering, Ford and Schweppes; Sony and Express Engineering have joined an exclusive club.

bench meetings, or quality-control committees. It starts even before a new recruit walks In Sony's case the award recognises its achievements in through the factory gate and dons the company's blue livthe production of the Trinitron ery. "We have a rigorous selec-tion policy," says Jones. "We try to ensure that the workers range of colour television sets and its output of TV components.

Philosophy

"Our products are always seen in the market as top-quality ones," says Alan Jones, per-sonnel executive. "We have achieved that by moving away from an inspection-type quality assurance to a production-elimination type of quality. Instead of inspecting-out problems and defects we try to ensure no defects arise in the first place.

"We aim for a defect-free input system rather than a input system rather than a defect-free ontput one. That has been the big shift in our philosophy over the past few years," Jones adds. Responsi-bility for quality falls squarely on every worker. Each has to ensure that each piece he or she — about two out of every she - about two out of every three operators are women . receives is perfect before passing it on.

steel production you have achieved a big step forward." Jones readily admits that 100

ber 8-9, London. Fee £475 +

VAT.Details from The Network

sels. Fee: BFr 76,000 (non-mem-

bers) and BFr 68,400. Details from Management Centre Europe, Postbus 95 NL-3417 ZH

Montfoort, The Netherlands.

Telefax (Belgium) 32/2/

Road, London SW18 3SX.

mce h.

Postbus 95 NL-3417 ZH Mont-513.71.08, Telex (Belgium) 21917 foort, The Netherlands. Telefax mce h, 61748 mce b. (Belgium) 32/2/513.71.08, Telex (Belgium) 21917 mce b, 61748

Targeting the female buyer -advertising and marketing to women. January 24-25, London. Fee: £480 + VAT. Details from Conference Manager, Forum Communications, London House, 26-40 Kensington High Street, London W8 4PF, Tel:

will happen. It's an attitude of

mind. If the attitude of mind of

the worker is right we have

That "attitude of mind" does

not come from long work-

we pick are not only the best available but also will be the best for the sort of work we want them to do. Most people

are on our side, anyway. Peo-ple don't want to turn out

shoddy goods; they always pre-

for to produce something good. Nor do they want to be associ-ated with a shoddy firm. Qual-ity and attitude of mind, there-

Jones admits it is easier to

inculcate quality appreciation in a television or a car factory.

"You can see a car outside your garage or a TV set in your living room and say

'that's a nice car or television or whatever.' It's more difficult

to associate yourself with qual-

ity if you are producing colled steel. But if you make sure the

design is right, that it can be

made defect free, then even in

fore, go hand-in-hand.

01-938 2222, Fax: 01-937 4546.

DP project management. January 30-February 1, London. Fee: £595 + VAT. Details from the Infomatics Resource Centre, 2 The Chapel, Royal Victoria Patriotic Building, Fitzhugh Grove, London SW18 35X. Telez: 299180 MONINT G. Fax: 01-871 3866.





New-for institutional investors

Institutional investors can now benefit from a new product, the CB German Index Fund. It provides them with an ideal opportunity to participate in the development of the German stock market, while eliminating the expense of research into individual shares and minimizing transaction costs.

The Fund - The CB German Index Fund is an open-end investment fund established in the Grand Duchy of Luxembourg.

The Objective - The objective of the fund is to invest in a diversified portfolio of German equities matching the overall performance of one of West Germany's leading stock indices, the Commerzbank Share Index Computed by Commerzbank, one of the Big Three German banks, it is the country's oldest index available on each bourse trading day. Currently,

the CB German Index Fund represents some 85% of the market capitalization and close to 90% of the stock exchange turnover of the 60 shares included in the index. The Manager - CB German Index Fund Management Company S.A., Luxembourg, manages the fund, develops its overall investment strategy, and handles its day-to-day administration

The Investment Adviser - Commerz International Capital Management GmbH (CICM), a Frankfurt-based Commerzbank subsidiary specializing in the application of quantitative models of portfolio management, acts as the fund's adviser.

The Custodian Bank - The custodian bank for the fund is Commerzbank International S.A. a Commerzbank subsidiary registered in Luxembourg.

Minimum Initial Investment -DM 1,000,000.

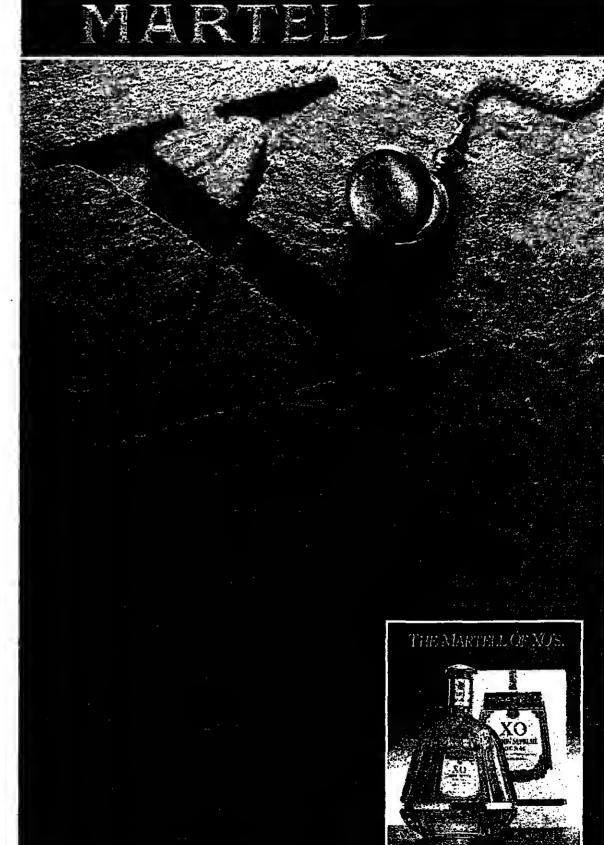
For complete information about the CB German Index Fund and its advantages for institutional investors, please contact the fund manager in Luxembourg, or get in touch with any Commerzbank office.

CB German Index Fund Management Company S.A., 11 rue Notre Dame L-2240 Luxembourg Phone: 473213 Telex: 2705 cbklux lu/3462 a cbklx lu Telefax: 477911-270



German knowhow in global investment banking

Commerzbank Headquarters, D-6000 Frankfurt/Main, P.O. Box 100505. <u>International Presence</u>: Amsterdam, Antwerp, Atlanta, Barcelona, Beijing, Brussels, Buenos Aires Cairo, Caracas, Chicago, Copenhagen, Geneva, Hong Kong, Istanbul, Jakarta, Johannesburg, London, Los Angeles, Luxembourg, Madrid, Manama (Bahrain), Mexico City Moscow, New York, Osaka, Parts, Rio de Janeiro, Rotterdam, São Paulo, Singapore, Sydney, Tehran, Tokyo, Toronto, Zurich. ure Madrid, Manama (Bahrain) Mexico Cite





development in computing since the PC. The Oi Personal Workstation - from Apricot. Qi encompasses the world's most advanced hardware and software standards. And it delivers a unique desktop computing performance. It combines all the features of a powerful workstation, a personal computer and a terminal, in one highly costefficient package. Qi brings together true connectivity across industry standards, backed by all the expertise of Apricot as Britain's leading supplier of networks. The specification alone speaks for itself: IBM PS/2 compatibility featuring 32-bit Micro Channel Architecture (MCA), as standard. An Ethernet interface, the world leading network, as standard. Dual synchronous / asynchronous communications channels, providing direct access to wide area networks, as standard. Powerful and selective security access control through dedicated hardware, as

Introducing the most significant

ven

more en ea

nd co

:550.

S. C.

A love others is

المرجع والاشتك

1000 P 2

Carrow Course

مر در در در ه 20 - C - C - C - C St 201 المروسية المراجع - X

COMM

JORNAL 1

ford dentes for

111

 \cdot

2 Sugar Second Second Sign in

Sere and

0

The 32-bit Intel 386 microprocessor, delivering up to 7 MIPs of desktop processing power. as standard. On-board RAM up to 16

standard.

. .

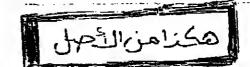
1.1



Apricot Computers plc., Apricot House, 111 Hagley Road, Edgbaston, Birmingham B16 8LB. Telephone: 021-456 1234

D ISTR BUTED TING С Ο SOLU. MPU Т Ο Ν S

QI 310, 1Mb RAM, onboard Ethernet, VGA graphics, 3.5 1.4 Mb floppy drive. Prices correct at time of going to press. IBM, Ethernet, MCA. Intel 386 Microprocessor and Microsoft Windows 386. Presentation Manager are the registered trademarks of their relevant operating com



Symphony 2 is even faster, even more versatile. even easier to use, and costs around **£550.** It's yours for <u>\$</u>85.

Of course, you need to be a Symphony 1.1 or 1.2 user already to qualify. And at only \$85, upgrading to Symphony 2 is going to be well worth your while. (\$125 if you're upgrading from Symphony 1.0 or 1.01.) New Symphony 2 now gives you a spreadsheet with recalculation up to 4 times faster, an 80,000 word British spalling charles and tast outlines (sumth \$100) as dandard

*

S> 7

Salar 🖞 🐪

N

مبعن

spelling checker and text outliner (worth £190) as standard. The database is more user-friendly with more fields and easier editing. We've added full VT 100 emulation - and they're just a few of the many new features. There's a completely new set of manuals too, ringbound to make them easier to use. And you can have your upgrade in a 51/4" or 31/2" format.

Fill in the coupon and send it off right away – and new, improved Symphony 2 will be with you in 10 days or less. (If someone even quicker than you has already cut out the coupon ring (049481) 4163 and we'll send you a new order form by return.)

I canclose my Symp	3%" i noo 11 or 12 i 10 or Phony Jostell disk/s and a choque for 565 i 5 Tick apobe
Nane	Title
Company	
Address	
Postcode	Phone
Please debit my	r credit card for £
Visa	Access Diners Club Asserican E
Credit Card gun	mber Card Explay date
	111111111111
-	
Signed Euclose proof o	Di purchase (install disk/s) and send to E
Enclose proof o SYMPHONY 2, F	REEPOST, Lotus Development (UK) Ltd.
Euclose proof o SYMPHONY 2, F Consort House,	bi purchase (install disk/s) and send to REEPOST, Lotus Development (UK) Ltd., Victoria Street, Windsor, Berks SL4 IEX.
Euclose proof o SYMPHONY 2, F Consort House,	bi purchase (install disk/s) and send to REEPOST, Lotus Development (UK) Ltd., Victoria Street, Windsor, Berks SL4 IEX.
Euclose proof o SYMPHONY 2, F Consort House,	REEPOST, Lotus Development (UK) Ltd.
Euclose proof o SYMPHONY 2, F Consort House,	bi purchase (install disk/s) and send to REEPOST, Lotus Development (UK) Ltd., Victoria Street, Windsor, Berks SL4 IEX.
Euclose proof o SYMPHONY 2, F Consort House,	bi purchase (install disk/s) and send to REEPOST, Lotus Development (UK) Ltd., Victoria Street, Windsor, Berks SL4 IEX.
Euclose proof o SYMPHONY 2, F Consort House,	bi purchase (install disk/s) and send to REEPOST, Lotus Development (UK) Ltd., Victoria Street, Windsor, Berks SL4 IEX.
Euclose proof o SYMPHONY 2, F Consort House,	bi purchase (install disk/s) and send to REEPOST, Lotus Development (UK) Ltd., Victoria Street, Windsor, Berks SL4 IEX.
Euclose proof o SYMPHONY 2, F Consort House,	bi purchase (install disk/s) and send to REEPOST, Lotus Development (UK) Ltd., Victoria Street, Windsor, Berks SL4 IEX.
Enclose proof o SYMPHONY 2, F Connort House, Lotus	of purchase (install disk/s) and send to REEPOST, Lotus Development (IK) Lat. Victoria Street, Windsor, Berks SL4 IEX S Symphony,
Enclose proof o SYMPHONY 2, F Connort House, Lotus	of purchase (install disk/s) and send to REEPOST, Lotus Development (IK) Lat. Victoria Street, Windsor, Berks SL4 IEX S Symphony,
Enclose proof o SYMPHONY 2, F Connort House, Lotus	bi purchase (install disk/s) and send to REEPOST, Lotus Development (UK) Ltd., Victoria Street, Windsor, Berks SL4 IEX.
Enclose proof o SYMPHONY 2, F Connort House, Lotus	of purchase (install disk/s) and send to REEPOST, Lotus Development (IK) Lat. Victoria Street, Windsor, Berks SL4 IEX S Symphony,

Investigation powers are not retrospective

FT LAW REPORTS

REGINA V SECRETARY OF STATE FOR TRADE AND DNDUSTRY, EX PARTE R Divisional Court (Lord Justice Mustill and Mr Justice McCowan): November 28 1988

A PERSON whose alleged investment business is under investigation by the Depart-ment of Trade and Industry cannot be required to disclose documents relating to transacnocuments relating to transac-tions which took place before December 18 1986, in that activities conducted before that date were not "investment business" for statutory

The Divisional Court so held when granting an application by a businessman for judicial review of a demand by the Sec-retary of State for Trade and Industry that he should disclose certain documents for the purposes of an investigation

Section 105 of the Financial

1984 into his alleged investment business.

Services Act 1986 provides: "(1)The powers of the Secre-tary of State under this section shall be exercisable in any case in which it appears to bim that there is good reason . . . for the purpose of investigating the affairs . . of any person so far as is relevant to any

investment business which he is or was carrying on or appears to the Secretary of State to be or to have been carrying on . . . The Secretary of State may require the person under investigation . . . to produce . . . specified docu-the investigation . . .

LORD JUSTICE MUSTILL said that earlier this year the Secretary of State appointed two inspectors to exercise the powers of investigating "investhim by section 105 of the Financial Services Act 1986. The inspectors wrote to the

applicant identifying 14 catego-ries of documents. They called on him to produce all docu-ments within those categories emanating from him or addressed to him or certain companies, from February 1

Although willing to disclose certain of the documents voluntarily, the applicant objected to the validity of the demand on the ground *inter alia* that no activities carried on before December 18 1986 (the appointed day for section 105 to coms into force), were capa-ble of amounting to "investment business".

Since the inspectors did not accept his objections he applied for judicial review. The

question for the court was whether activities carried out before December 18 1986 could be "investment husiness" within the meaning of ths Act. The applicant contended that, first, "investment business" was a concept which did sible for anyone to be carrying on investment business before the appointed day. Second, it

was said that even if invest-ment business was capable of existing before that day, Parliament could not have intended that the powers under section 105 should be exercised in relation to pre-Act business. It was contended that "he . . . was carrying on" must be read as subject to the implied qualification "after the appointed

day". To the first limb of the argu-ment the Secretary of State replied that "investment business" was not a new species of activity, but s new label.

In order to decide whether any pre-Act transaction had characteristics enabling it to rank as investment business if that concept had then existed as part of English law, it would have been necessary to know two facts: first, whether the transactions concerned investments of a type described in Part 1 of Schedule 1 to the Act (which included rights under

contracts for options, futures and differences, and long-term insurance contracts); and second, whether the dealing was an excluded activity within Part III of Schedule 1.

Of those, the first fact was readily ascertainable, its existence being independent of the coming into force of the Act, and of anything done under the Act. But in many cases the second fact could not be ascertained.

The definition of investment business involved a qualifica-tion expressed partly in terms of excluded activities set out in Part III of Schedule 1. Those embraced certain types of transaction where the party with whom the investigated person did business came within categories which could not have existed before the mechanisms created by the Act were available and utilised (see paragraph 17(2)(a)).

The only way to save the idea of retrospective labelling was to hold either that the impossibility of identifying an excepted transaction meant that all pre-Act dealings were antomatically excluded from investment business (in which case the category would become larger on the appointed day), or were automatically included (in which case it would shrink). Neither reading conformed

with what the Act said, or with

common sense. Section 105 just would not work if it was read as applying to pre-Act transac-That objection seemed unan-

werable. On examining the main provisions of the Act to see whether the legislature could have intended to confer powers to investigate transactions which were over and done with before it came into force, two things seemed clear.

First, the Act created an elaborate new structure which was to come into effect for the future, as a replacement for the much less ambitious scheme of the Prevention of Fraud (Investments) Act 1958. That factor was not conclusive in itself, since it would be possible for one isolated sec-

tion to look backwards. But it did suggest that one should look with care to see what reason the legislature might have had for giving section 105 that singular effect.

Second, and more important, there seemed to be nothing elsewhere in the Act which might furnish such a reason. The Secretary of State might, in appropriate cases, need to examine what had hap-

pened in the past in order to decide what course he should take in the future. Also, a power to look at the past to explain the present must be implicit in section 105.

There was, however, no rea son why Parliament should have given the Secretary of State powers to investigate putative investment business before the Act and to underpin the supervision of such scheme and the application of sanctions to enforce it, when the scheme only began to come into existence on the first of Accordingly, the question posed was answered in the neg-

17

ative. Mr Justice McCowan agreed

For the applicant: Anthony Artidge QC, Peter Rook and David Chivers (Slaters).

For the Secretary of State: Wil-tiam Charles (solicitor, Depart-ment of Trade and Industry).

CORRECTION: In British and Commonwealth Holdings plc v Quadrex Holdings Inc (FT, November 30 1988) appearances

were: For Quadrex: Mark Waller QC, Nicholas Padfield and Dominic Dowley (Herbert Smith & Co). For B & C: Anthony Grabiner QC, Nicholas Stadlen and Craig Orr (Slaughter and May).

Rachel Davies Barrister

The only phone system worth buying **before 1992**

is the only phone system

rrrrrrrrr

F a line goes dead you're the last to know

If a line goes dead your other lines soon become blocked.

Customers can't call in and you can't dial out. However a Claire call management system will tell you the moment you've a problem on your phone line.

Besides ensuring customers can always call you up. Claire keeps call costs down.

Because you get an itemised list of all phone activity allowing you to identify wastage.

The equipment plugs into any phone system, costs less than £12 pw. and reduces phone bills by up to 20%.

Make your phone system work harder for your company call Communication Control on 01-660 1118.

COMMUNICATION ·CONTROL· CHEANS ATTRACT TASK AND ALL ALL TAR 854 Bighton Road, Puilles Sunta CR9 SLDC. Telephone: 04-660 118. Teles: 897647 Claire G.

NORDDEUTSCHE LANDESBANK GIROZENTRALE

NOTICE

to the holders of Norddeutsche Landesbank Girozentrale

¥10,000,000,000 61/2% Notes due 1993

NOTICE IS HEREBY GIVEN to the holders of the above-mentioned Notes (the "Northolders") that, at the Adjourned Meeting of the Noteholders convened by the Nonce published in the Financial Times and the Luxemburger Wort on 4th November, 1988 and held on 18th November, 1988, the Extraordinary Resolution set out in such Notice was duly passed.

Norddeutsche Landesbank Girozentrale

Dated 2nd December, 1988.

worth having after 1992.

What could be worse? A single European market with differing telecommunications standards.

Come 1992 every switchboard working solely to UK standards will be decidedly sub-standard for communicating within Europe.

Of course, the realistic solution is a phone system which is compatible in the UK and is flexible enough to adapt to future European standards.

One supplier has the essential European connection to offer you dual compatibility in readiness for 1992.

Norton.

Norton is part of the Siemens group.

And Siemens is the leading force in European telecommunications.

Siemens develop switchboards for Norton which conform to UK standards, now they've gone a stage further by investing to ensure a Norton switchboard will also operate with the new European standards.

So installing a Norton phone system before 1992, guarantees you European compatibility after 1992.

Make sure your company's prepared for 1992. Start thinking ahead. Talk to Norton today.

For more information, or to reserve a copy of Norton's free handbook "Getting Through in 92" dial 01-278 0404.



A SIEMENS COMPANY

Thinking ahead

Narton Telecommunications, 339-341 City Road, London ECLY 11 Telephone: (01) 278 0404

THE PROPERTY MARKET



18

John Bushell: the chairman of London Shop

eel Holdings, the dynamic retail warehouse developer, has assembled a powerful team to mount and finance its bid for London Shop, the specialist in secondary retail property. However, there are potental snags in the structure of the hid which the market senses but has yet to evaluate. In the big hull market of the early 1970s, there was a rash of reverse takeover hids: a highly-rated but email company would bid for a higger but slower target. On the face of it, this would combine industrial reorganisation with a more

attractive corporate vehicle. The bloom faded when ana-lysts devised reverse takeover revealed that BSPF would

Peel Holdings reaches for its shopping basket

By William Cochrane

arithmetic. This showed that the higher the "predator" bid, the more it diminished the value of its existing shares. Reverse bids went out of fash-

Today they are back, and one of them is in the property market. The predator is more clever and the merchant bank more innovative, almost ath-letic, in the case of Peel and its adviser, S.G. Warhurg. But this is affectively a case of a

is, effectively, a case of a smaller company bidding for a higger one; and the mechanics of the offer can be analysed to show the risks which the participants are taking. The sequence went like this:

 On November 7 Peel bought 21 per cent of the London Shop shares from the British Steel Pension Fund (BSPF). • On November 25 Peel bid 300p a share for London Shop, valuing it at £269m.

• On November 30 Peel put out a formal offer, to be financed by a £121m rights issue at 300p per Peel share,

.

loan stock conversion. On the same day, Peel, priced at 309p, would have stacked up to £156m on the same basis.

underwrite 9.95m of the shares to be issued. Having received £39%m from Peel for its Lon-A 1970s philosophy would 239%m from real for its Lon-don Shop shares (at a price of 270p) and associated holdings of London Shop convertible loan stocks, BSPF would have to put nearly 230m back if the rights issue did not interest some other Peel shareholders. say that the two companies, joined together, would be worth ther sum of their parts before the shouting started: about £376m on October 6. This equity is going to be increased by rights issue proceeds of By rights issue proceeds of £121m, before expenses; and diminished by the £269m either aiready paid, or due to be paid to London Shop shareholders. What emerges is £228m, or 250p a share on the Peel capi-tal, diluted for preference con-versions and increased by the rights issue. And if Peel were

some other Peel shareholders. However, Peel had more power to its elbow. Another 9.95m of the rights issue shares are to be underwritten by Com-petrol, a suhsidiary of the Olayan group, the Saudi-based, international conglomerate whose net worth is said to be billions of dollars and which rights issue. And if Peel were tempted to increase its offer for London Shop, on these calculabillions of dollars and which injected assets into Peel for a 6.8 per cent equity holding last May. Peel has powerful friends. In the formal offer, Peel notes that the London Shop tions a 10 per cent increase would result in a 12 per cent, or 30p further decline in its ex-rights, ex-bid share price. None of this takes into

share price was only 243p on October 6 - "the day preced-ing press speculation regarding count what John Whittaker. account what John Whittaker, the highly praised entrepre-neur, will be able to do with the London Shop assets if he gets them. The Peel rights issue was priced on a fine dis-count, so hoth BSPF and Olayan had to have a high regard for Mr Whittaker's talthe British Steel Pension Fund's interests in London Shop and a possible takeover. As it happens, that would have capitalised London Shop at some £220m, assuming full

ents to lend such weighty support. However, these talents, to some extent, were appreciated a couple of months ago.

The market has probably not given much thought, either, to John Bushell, chairman of London Shop. Mr Bushell, like Warburgs, is a merchant banker, although he comes from Schroders. He joined the London Shop

Board at the beginning of 1982, just after Schroders had belped London Shop fight off a £19m bid from Godfrey Bradman of Rosehaugh. Mr Bradman, coincidentally, was trying to douhle his asset base at the time, and hidding from a 21.4 per cent London Shop holding it had acquired from another predator, or "disenchanted shareholder". Both Rosehaugh and London Shop have grown a bit since then.

A out since char. Mr Bushell was joined on the Board in 1986 by Clive Coward, who came from the private company S.G. Whittaker ("no relation" he says), which he had run for 15 years. "When I joined, I knew that London The mass on the stockbookers' Shop was on the stockbrokers'



op's development arm

the company was aware that we had to perform."

the nascent London Sbop development arm, which now has about a dozen projects in train worth perhaps £30m of completed value in total. This is not big, hut big development programmes have lost their attraction as interest rates have risen and floating rate

"I think thet the results of what I've done will start showing next summer," says Mr Coward, "and I would hate to have an outsider come in and reap the benefit."

The firm is specifically not in the Peel underwriting. Rodamco's bid for Hammerson and the Bayerische Hypo-Bank link with Richard Ellis this week. is recognised by solici-tors D.J. Freeman in its "Legal

on property transactions." It even gives a not in the direction of the accountancy fors D.J. Freeman in its "Legal Briefing" on foreign invest-ment in UK property. Freeman takes 12 pages of fairly large type to tell poten-tial overseas buyers of UK property, in simple language. direction of the accountancy profession: "... specialist advice in relation to tax should always be obtained in connection with each invest-ment proposal," says the paper. However, Mr Solomon notes that, in this case, soliciabout the property investment business. The paper deals with tenure: professional advisers; tenure: professional advisers; the occupational lease system;

tors very often find themselves advising in precisely the same areas as tax accountants. structuring investment; depre-clation allowances or the lack of them; problems of absentee landlordship; the appointment Foreign buyers must show financial strength to move in on the UK market, he says. "One of the sensitive issues, when you are waiting for a deal to close, is that the ven-dor will think about the possibility of having to pursue legal remedies outside the UK."

In that situation, it might be better for the buyer to be a substantial principal, rather than a newly-formed subsid-iary. "It is not always true," by: "It is not always true," observes Mr Solomon, "that parents stand by their subsid-iaries when they are not legally bound to do so." The UK vendor's knowledge of that wrinkle might be crucial when the foreign buyer is competing share of the market and this for a site with a big UK prop-meant increasing its foreign erty company.



Clive Coward: head of London

takeover lists," said Mr Cow-ard this week. "Everybody in of agents and so on. Freeman has one of the larg-

Mr Coward came in to run est property departments in London which employs over 60 solicitors. While it has been getting an increasing number of UK clients during the cur-rent boom, it has seen major Scandinavian, US and Japanese institutions moving deci-sively into the market. "I think that they are now miderpinning a market which is not as strong as it was," said David Solomon, a senior partner of Freeman, this week. However, he added that Free-

debt has become an accepted liability in the stock market.

A MAGNIFICENT H.Q. COMPLEX LESS THAN 15 MILES FROM GATWICK AIRPORT FOR SALE OR TO LET





man wanted to increase its

And num is specifickly not in competition with the agents. "Sarveyors and firms of solicitors are trained in totally different professional disciplines," it says. "but fre-quently work closely together

TYCI

850

1. 1. 1. 1. 1. 1.

1. Sec. 2

NAILA

LONDON

ENTER

10

en OFFICE of 2t

8.8

1. 1. 1. 1. 1.

a 👘

a ; ; ; ;

1558432

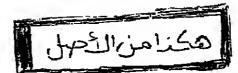
N 14 1

- X

2.3

 $(t_{\mathcal{A}})_{i \in [1, 1]}$

-



CITY OF LONDON

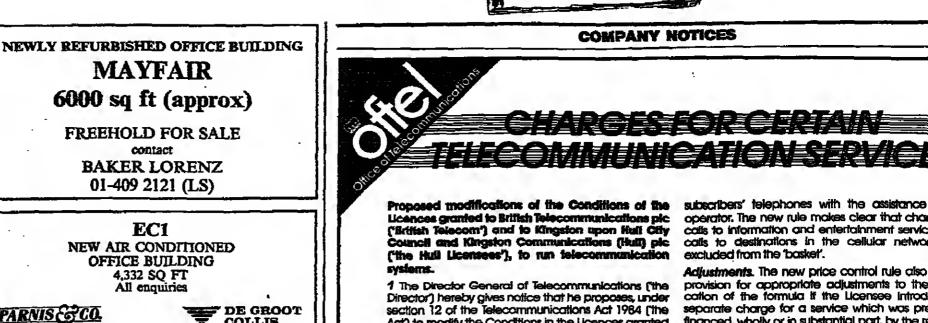
PRIME OFFICE

UNIT

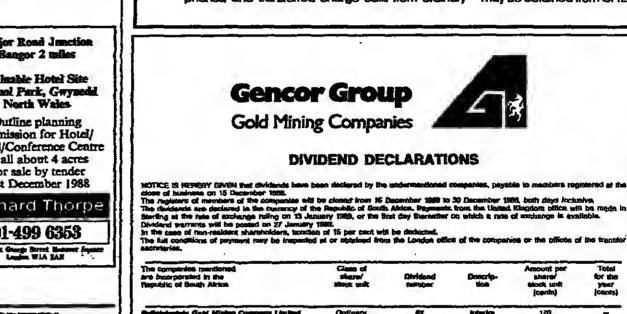
R 2 1988

ide

:



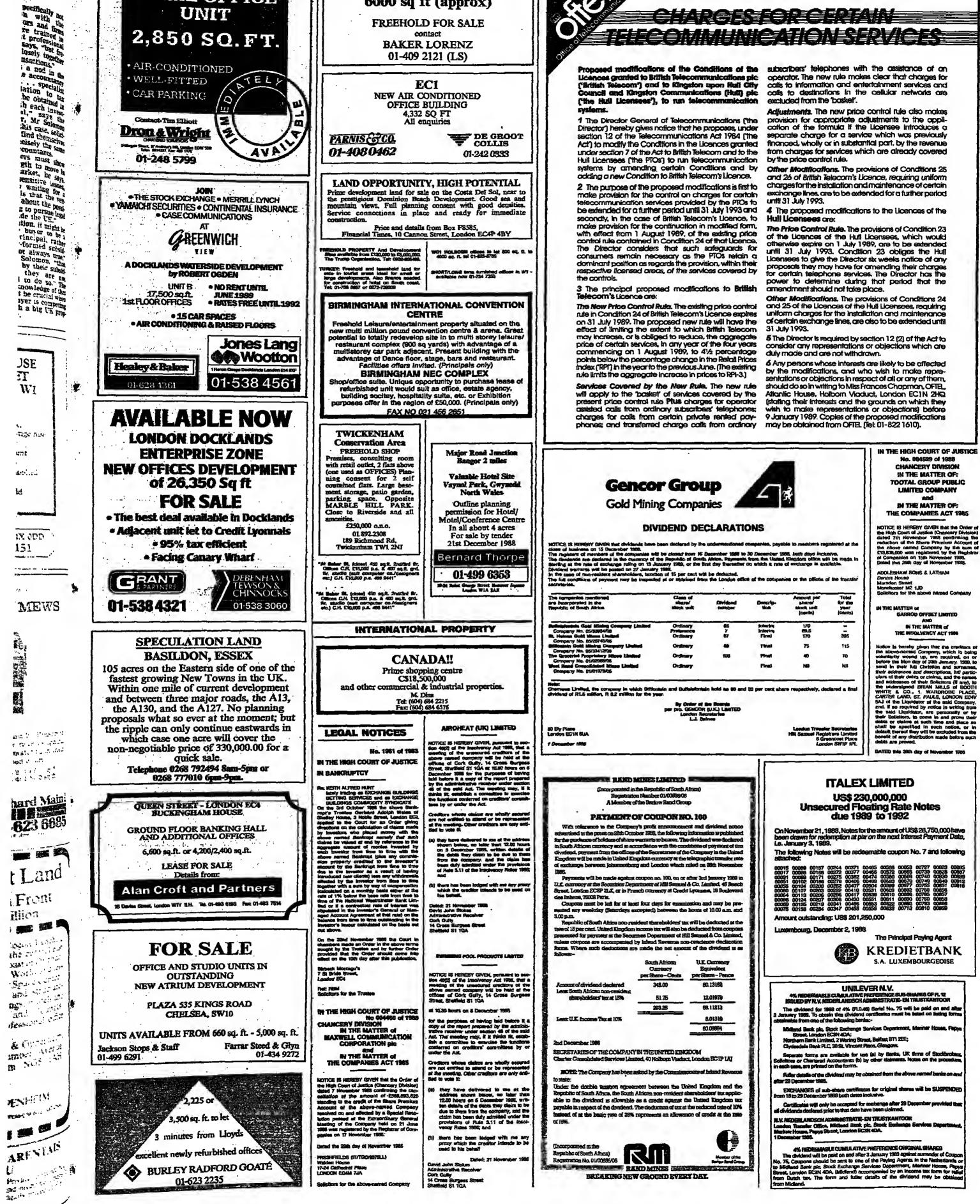
19



No. 004529 of 1988 CHANCERY DIVISION IN THE MATTER OF: TOOTAL GROUP PUBLIC LIMITED COMPANY

IN THE MATTER OF:

GARROD OFFSET LINITED IN THE MATTER of THE DISOLVENCY ACT 1980



MAYFAIR

1.

مسالترج

L

20



December 2-8

MUSIC

London **Royal Philharmonic Orchestra** conducted by Antal Dorati. Schubert, Mendelssohn. Barbican (Mon) (638 8891). London Symphony Orchestra conducted by Mstislav Rostro-povich. Shostakovich. Barbican (Thurs) (638 8891).

Paris

Orchestre National de France and Radio France choir conducted by Sir Neville Marriner. Mozart's Cosi Fan Tutte (Mon) Théâtre des Champs Elysées (47203637). Orchestre de Paris with Daniel Barenboim as cooductor and soloist, Cecilia Bartoli, mezzo-so-prano. Rossini, Mozart, Strauss (Wed, Thur) Salle Pleyel

Vienna

Wiener Sympboniker conducted by Emil Tchakarov, with Victor Pikaisen (violin). Dvorak, Rach-maninov. Konzerthaus (Sun).

EXHIBITIONS London

The Royal Academy. Toulouse-Lautrec: The Graphic Works, A comprehensive selec tion principally of lithographs, from the definitive collection made by Otto Gerstenberg. Ends

Jan 4. The National Gallery. Rembrandt Art in the Making. A small but highly informative study exhibition. Ends Jan 17. The Tate Gallery. David Hoo ney; A Retrospective. London's main gallery of modern art offers a full study of the golden boy of Britisb art at the age of 50. Ends January 8.

Paris

Louvre. Pavillon de Flore, Rembrandt and his school are on show in two exhibitions at the Louvre, Both exhibitions closed Tue, the first ends Jan 30, the second March 27, (42603926), Galerie Odermatt-Cazeau, Cam-ille Claudel 1864-1943. The sculptor, a disciple and lover of Rodin, whose tragic life, ending with 30 years in a mental asylum, inspired a book and now a film, is the subject of an important exhibition. 85 Bis, Rue du Fbg. Saint Honore (42669258). Closed Sundays, ends January 31. Galerie Daniel Malingue, Maitres

Cologne

Juillard String Quartet. Mozart, Carter and Franck. Cologne Philharmonie (Fri).

Berlin Berlin Philbarmonic Orchestra

Mumich

3.22.7

Branns, Aaumann Han, 1989 Lexington Av (Tue) (427 6000). New York Philharmonic coo-ducted by Zubin Mehta, with Krystian Zimerman (piaco). Men delssohn, Lutowslawski, Avery under Herbert von Karajan. Bee-thoven, Philharmonie (Sat, Sun). Boston Sympbony Orchestra conducted by Seiji Ozawa. Mah-ler. Berlin Philharmonie (Wed). Fisher Hall, Lincoln Ceoter (Tue) (799 9595). New York Woodwind Quintet. Gilbert Kallsb (plano). Nielsen, Peter Winkler, Alvin Etler, Dvo-rak, Merkin Concert Hall (Tue)

(362 6719). New York Philhermonic con-

National Symphony Orchestra

New York

Munich's Radio Orchestra con-

ducted by Bruno Weil and the piano duo Gueher and Sueher Pekinel. Liszt, Saint-Saens, Lutoslaswi, Schubert and Offen-New York Philadmonic con-ducted by Zubin Mehta, with Leon Fleisber (piano). Carter, Britten, Ravel. Avery Fisher Hall, Lincoln Center (Tue) (799 hach. Sendesaal des Funkhauses, Rundfunkplatz 1 (Sun). James Galway (flute) and planist Philip Moll. Reinecke, Martinu, Gaubert, Faure, Saint-Saens, Debussy, Godard and Ravel. Her-Washington National Symphony Orchestra conducted by Gerd Albrecht. kulessaal der Residenz. (Tues). Stravinsky, Schumann. Kennedy Center Concert Hall (Tue) (254

Amsterdam

Boston Symphony Orchestra conducted by Seiji Ozawa. Mah-ler Concertgebouw (Fri).

conducted by Rafael Frubeck de Burgos, with William Steck Royal Concertgebouw Orchestra conducted by Neeme Jarvi with Boris Berman (piano). Nordheim, Prokofiev, Nielsen, Concertge-(violin), Beethoven, Korngold, Ravel. Kennedy Center Concert Hall (Thur) (354 3776). bouw (Thur) (718 345). Netherlands Philharmonic con-Chicago Chicago Symphony Orchestra ducted by Bryden Thomson with Nobuko Imai (viola). Vaughan Williams, Walton, Elgar. Beurs

3776).

conducted by Gunther Herbig, with Sbura Cherkassky (piano). Haydn, Tchaikovsky, Brah Orchestra Hall (Thur) (435 8122). Tokyo

Rudolf Barshai conducting

Tchaikovsky and Prokofiev. Auditorium In Via della Concilia-Oslo Philbarmonic Orchestra conducted by Mariss Jansons. Dvorak, Sibelius, Suntory Hall (Mon) (403 8011).

onta

Ends Dec 18.

Darmstadt

Vionna

many, Ends Jan 29.

Hessisches Landesmuseum

took place throughout Austria

Impressionistes et Modernes.

zone (Sat, Sun, Mon, Tues)

(Thur) (27 04 66).

Rome

6541044.

26 ave Matignon (42666033). Closed Sun, Mon mornings and lunchtimes. Ends Dec 24. Musée d'Orsay. Cézanne, The Early Years (1859-1872). The 63 paintings, drawings and watercolours reveal a hitherto neglected period of the artist's life, Closed Mon, Ends Jan 1. Grand Palais. Seicento. Caravaggio's century in French collections. A dramatic production by Pier-Luigi Pizzi against a background of baroque music. Closed Tue, late closing night Wed (42.56.09.24), Ends Jan 2. Chapelle de l'Ecole des Beaux Arts. From Dürer to Baselitz. Some 126 drawings lent by the Kunsthalle in Hamburg retrace the panorama of German graphic art. 14 rue Bonaparte (49.27.01.18). Ends Dec 31.

Brussels

on the night of November 9 and 10 1938. This exhibition, which takes the form of slides, pictures and maps depicting Austria's 180,000 strong Jewish community before 1938, is an attempt by the Le Botanique Contemporary Soviet Painting, Works of 12 modern Soviet painters including Steinberg, Rocter, Edzgveradze, Filatov, Chvikov, Yankilevsky. Austrian Government to become more open about its ignominous past. Ends Jan 29. Closed Monday, Ends Dec 31. Masée d'Art Moderne, 1-2 Place Royale, The First Group of Lae-them-St Martin 1899-1914. Closed useum für Volkerkunde. The museum has put together from all over the world, Two hundred years of Australia, 40,000 years of Australians, Mon. Ends Dec 31. Musées Royaux d'Art et d'Histoire, Parc Cinquantenaire, China, Heaven and Earth, 5,000 Secession The Austrian painter

OPERA AND BALLET Alexander String Quartet. Haydn, Ho Joon Park, McKinley, Brahms, Kaufmann Hall, 1395 London

Royal Opera, Covent Garden The second opera production by Nuria Espert to be given by the Royal Opera is a new Rigo-letto, designed by Ezio Frigerio, and conducted by Michael Boder (British debut). Brent Ellis, June Anderson and Neil Shicoff take the leading roles.

Vienna

Staatsoper. Der Fliegende Hollander, conducted by Sir Charles Mackerras with Nancy Johnson, James Morris, Hans Tschammer. Le Nozze di Figaro, conducted by Peter Schneider with Mar-garet Price, Ann Murray, Rug-gero Raimondi, Manfred Hemm. Ballet: Ein Sommernachstraum, conducted by Caspar Richter. Rusalka, conducted by Vaclav rusana, conducted by Vaclav Neumann, with Gabriele Lech-ner, Gabriela Benackova-Cap. Peter Dvorsky, Sergej Koptschak. Manon, conducted by Adam Fischer, with Edith Gurberova, Francisco Araiza, Pierre Than.

Hamburg

Opera. Tristan und Isolde is sung by Gabriele Schnaut, William Johns, Harald Stamm, Franz Grundheber and Julia Juon, Der Nussknacker has wonderful cho-reography by John Neumeier.

Stuttgart

to Prague.

Bologna

Dec 8.

Chicago

ger-tuna and Karl-Freidrich Duerr. Onegin is choreographed by the late John Cranko.

Amsterdam Opera. Madame Butterfly staged by the Netherlands Opera and directed by Monique Wagemak-ers. Lucas Vis conducting the Netherlands Philharmonic. (Fri, premiere; Sun, Wed), Rome

ARTS

Teatro dell'Opera. Filippo San-just's production of Donizetti's rarely performed Polluto conducted by Jan Latham-Roenia with Renato Bruson, Nicola Mar-tinucci and Elizabeth Connell (Sat. Tues). Two ballets to music by Nino Rota, La Strada with Oriella Dorella dancing the part created by Giulietta Masina. Mario Marozzi and Raffaele Paganini, and Gattopardo Souve-nir based on the novel by Ginseppe de Lampedusa (Sun) (46.17.55).

Milan

Opera. Luca Ronconi's produc tion of Rossini's William Tell opens the season, with scenery Gianni Quaranta which includes filmed sequences of the shores of Lake Lucerne and surrounding montains and forests projected on to the backdrop. Riccardo Muti conducts a fine cast with Chris Merritt in the

title role, Giorgio Zancanaro and Lella Cuberli. (Wed) (80.91.26). New York Metropolitan Opera Opera House, Lincoln Center, Apart from the Grand Procession, Sonja

Frissell, in her Met directing debut, attempts a traditional

patron was Rudolf 11. He it was who welcomed the poor Kepler

Pinacoteca Nazionale and Museo Archeologico. Guido Reni (1575-1642). A spiendid collection of paintings by the Bolognese mannerist painter, who was the first to bring the concept of phys-ical beauty into sacred art. Until New York Metropolitan Museum of Art. An exhibition of architecture

on paper covers four centuries of drawings including works by Frank Lloyd Wright, Louis Comfort Tiffany and Arata Isozaki, as well as the west facade of the Alhambra that dates back to 1580. Ends Jan 8. Metropolitan Museum. The first

major Degas retrospective for over 50 years has 300 paintings, sculptures and drawings cover-ing the artist's entire career and various interests, from early clas-sical motifs and stiff portraits to the ballet studios and washerwomen that freed his imagination Ends Jan 8

Art Institute. Paul Gauguin. The artist's first major retrospective

interpretation of Aida with an emphasis on the conflict of pub-lic carears and personal needs. James Levine conducts with Leona Mitchell as Aida and Pla-cido Domingo as Ramades. Per-formances of Madama Butterfly continue, conducted by Myung Whun Chung, with Yoko Watan-abe as Cio Gio San and Glorgio Lambarti as Pinkerton, Kathleen Battle sings Rosina in Il Barblere di Siviglia with Leo Nucci as Figaro and William Matteuzzi as Count Almaviva, conducted by Raif Weikert. Marilyn Horne is Carmen in Paul Mills's staging conducted by Placido Domingo.

Lyric Opera (Civic Opera House).

Maria Ewing recreates the role of Salome she performed in Lon-

don and Los Angeles in Sir Peter

Hall's production, conducted by Leonard Slatkin, with James King as Herod and Franco Farina

as Narraboth. Samuel Ramey continues in the title role of Don

Giovanni in Jean Pierre Pon-

nelle's production condu

by Semyon Bychkov. (332

Bayerische Staatsoper from Munich. Don Giovanni, con-

ducted by Peter Schreier, with Thomas Allen, Kurt Moll, Anna Tomowa-Sintow, Peter Seifertz (Mon, Thurs). Arabella, con-

ducted by Wolfgang Sawallisch, with Lucia Popp or Anna Tomo-

(Wed). Tokyo Bunka Kaikan (299 9999).

for 30 years includes more than 230 objects and paintings from all the periods of his exotic and

National Gallery. The largest show of Michelangelo's drawings

of his artistic development. Ends

Dec 11. National Gallery. Seven Centu-

ries of Japanese Art, as it evolved under the feudal daimyo

lords is the subject of a major exhibition of 450 specially desig-

nated Japanese national trea.

from the Horyujl Temple. The centreplece of this small but

exquisite exhibition from the

Kudara Kannon, a graceful cam-phorwood statue of the Buddhist

goddess of mercy, dating from the 7th century, Closed Mondays.

Art. Japonisme, A major exhibi-

tion, seen earlier this year at the Grand Palais in Paris, which

explores the influence of Japan

19th century, Closed Mondays,

Ends December 11.

on the art of the West in the late

National Museum of Western

great temple in Nara is the

ever mounted in the US illus-trates all the principal phases

far-flung life. Ends Dec 11.

Washington

Ends Jan 23.

Tokyo

Cosi fan Tuite, conducted by Wolfgang Sawallisch.

wa-Sintow in the title role (Tues)

(362 6000).

Chicago

2244).

Tokyo

negotiation encounter by Lee Blessing, Guinness, back on the London stage after 10 years, is In subtle virtuoso form as the Soviet veteran of tactical stone walling and no-dealing tricks

(930 2578, cc 839 1438). Measure For Measure (Barbican). Pick of the RSC London reper-

THEATRE

London

.

tolre, a gripping revival by Nicholas Hytner, strongly acted, with witty design references to Lloyds of London and the Pompi-Lioyis of London and the Pompi-dou Centre in Paris (538 8891). The Secret Rapture (Lyttelton). Brilliant new David Hare place for the National Theatre, a satiri-cal but moving romance on life. love and family politics in Thatcher's Britain. The play of the year (928 2252, cc 240 7200). South Pacific (Prince of Wales). South Pacific (Prince of Wales). Average, traditional revival of the great Rodgers and Hammer

stein musical, with Gemma Craven failing to wash the baritonal Emile Belcourt out of her bair (839 5989). (839 Sees). Follies (Shaftesbury). Eartha Kitt and Millicent Martin now decorate Mike Ockrent's strong revival of Sondheim's 1971 must-cal, in which poisoned marriages nearly undermine an old burhearly undermine an old bur-lesque reunion in a doomed thea-tre (379 5399). The Admirable Crichton (Hay-

market). Rex Harrison and Edward Fox in enjoyable revival of Barrie's imperishable comedy of class barriers and reversals on a desert island (930 9832, CC 379 44.14) Dry Rot (Lyric). Brian Rix bry hot (Lync), brian (C). returns to the stage after an absence of 12 years in a 1950s farce that preligures the capture of old England by the spivs and opportunists. A genuine classic

(437 3696). Brigadoon (Victoria Palace). 1947 Brigadoon (Victoria Falace). 1947 Lerner and Loewe "heather-scented" Scottisb fairytale hit is handsomely revived and well sung, less frail than expected. (834 1317, cc 836 2428). Sugar Bables (Savoy). Mickey Rooney and Ann Miller repeat Broadway roles and exhibit sta-ming and star quality in a mired

mina and star quality in a mixed bag of coarse burlesque sketches (\$36 8988).

Anosterdano

The Footsbarn Theatre with Babylon (Thur). Stadsschouwburg (24 23 11). National Museum. Treasures

Endhoven

The Fooisbarn Theatre with Babylon, based on Bulgakov's Master and Margarita (Thur). Stadsschouwburg (11 11 22).

New York

Bumours (Broadhurst), Neil Simon's latest comedy is a selfconscious farce, with numerous slamming doors and lots of mug-ging but hollow humour that misses as often as it hits. Chris-tine Baranski leads an ebullient cast in the inevitable but disappointing bit.

A Chorus Line (Shubert). The iongest-running musical in the US has not only supported Joseph Papp's Public Theater for eight years but also undaired the musical genre with its back-stage story in which the song-are used as auditions rather than emotions (339 6200). Les Elisérables (Broadway). The magnificant spectacle of Victor A Walk in the Woods (Comedy). Alec Guinness and Edward Herrmann in feeble off-duty arms

FINANCIAL TIMES FRIDAY DECEMBER 2 1988

magnificent spectacle of Victor Hugo's majestic sweep of history and pathos brings to Broadway lessons in pegeantry and drama (239 6200)

Me and My Girl (Marquis). Even if the plot turns on front: min-icry of Pygmalion, this is no clas-sic, with forgestable songs and dated leadenness in a stage full of characters. It has nevertheless red to be a durable Broadway hit (947 0033), M. Butterfly (Eugene O'Neill).

M. Buttering (Edgene O'Nein). The surprise Tony winner for 1988 is a somewhat pretentious and obvious meditation on the true story of the French diplomat whose long-time mistress was a male Chinese spy (246 0220). Scanddha, Plow (Royals) David ed-the-Plow (Rovale), David Marnet applies his biting sarcasm and car for the exaggerations of American isoguage to Holly-wood, in this screeningly funny and well-plotted expose of the

film industry (239 6300). Phantom of the Opers (Majestic). Stuffed with Maria Bjornson's gilded sets. Phantom rocks with Andrew Lloyd Webber's haunting melodies in this mega-transfer from London (239 6300).

Chicago

A Christmas Carol (Goodman), William J. Norths celebratos his tenth season as Ebenezer Scrooge in the annual holiday production with a cast of 26, lirected by Michael Maggio. Ends Dec 28 (829 4141)

Tokyo

Bunraka. The puppet theatre is one of Japan's most refined art forms Evening performance art forms Evening performance at forms Evening performance ends): Chushingura, the famous story of the 47 loyal retainers. Matinee performance at 11am and 2pm (weekdays only): Tsubo-saka, a moving tale of a blind musician and his devoted wife, ending with a beautiful dance. National Theeire (265 7411). Nob. (Wed). A double-bill of the poh play. Kiso, and a kyogen noh play, Kiso, and a kyogen comic interlude. Japan's most esoteric art form is not to every-one's taste, but should be experienced at least once by everyune who wants to discover why Japan will never become a "west-ern" nation, (Most other Noh theatres are open at weekends only. Check local press for details.) National Noh Theatre (423 1331).

.

. 4

. پ

The Tempest. Directed by the prolific and ever-inventive Yukio Ninagawa, with music by Uzaki Ryudo, This visually enthralling production was seen at this. year's Edinburgh Festival and transposes the action to Sado, Japan's own Island of exile and mystery. Stylistically it draws on elements from the noh thea-tre. Imperial Theatre (201 7777).

ADMARCO

years of Invention and Discovery. Instruments and artworks which illustrate Chinese innovations in science and technology. Closed original place. Muser d'Inelles, 71 rue Jean van Volsem. Belgian Art Deco 1920-40. Deily 13-19-30. Sat and Rome

ing in Rome, none of whom have yet shown at major exhibitions. Until December 11. Palazzo dei Conservatori (Campi-doglio). Glass of the Caesars. Queues are stretching right across Michelangelo's Piazza, waiting patiently for a glimpse of the immensely sophisticated ornamental glass and tableware belonging to the imperial Roman

Museo Correr a la napoleonica: Giorgio de Chirico (1888-1978): a major retrospective organised jointly by the Galleria Nazionale d'Arte Moderna in Rome and the Giorgio de Chirico Founda-tion to celebrate the contenary of the nainter's birth, Ends January 15. Das Kunsthistorischemuseum. After months of planning, Fra-gue um 1600 finally opened in Vienna last week. It is a marvellous exhibition showing off just

Walter Eckert is now on exhibition until November 20. Worth also seeing Gustav Klimt's famous Frieze now back in its

Ex-borsa in Campo Boario. A lively and absorbing show of works in various mediums by young artists (all under 35) work

court January 31. Vanice

Opera. The rarely played oper-etta Einstein on the Beach brings Elke Parinhanm Ilmula Koszut and Alfred Kuhn together. Tosca is a well done repertoire perfor-mance with Awilda Verdejo, Michael Sylvester, Helmut Ber-

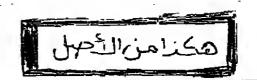
Sun 10-17.00. Closed Monday. Classworks and paintings of the British artist Brian Clarke will be seen for the first time in Ger-Historisches Museum der Stadt Wien (The city of Vienna's Museum for history), A commem oration of Kristallnacht, which

how great an infinence and a

There is an Italian Banking Group already at work in the Europe of tomorrow.

Monte dei Paschi di Siena, Banca Toscana, Credito Commerciale, Credito Lombardo, Banco Valdostano, Istituto Nazionale di Credito per Il Lavoro Italiano all'Estero and Italian International Bank. Seven banks. One Group, A global strategy for 1992. The strength of the Group: 796 offices in Italy and abroad, including branches and representative offices in New York, London, Paris, Frankfurt, Bruxelles, Moscow, Singapore, Cairo, São Paulo, 16,000 employees. Major foreign shareholdings include Banque du Sud, United Bank for Africa, Internationale Bank für Aussenhandel





ARTS

Animated antics of sheer delight

major eat-your-ma-industry. Only two years after I wrote that the days of feature-length animation are over, van-quished in the fantasy stakes by Special FX and hitech modelwork, what do they start making again? Animation fea-

CINEMA

IBER 2 1982

Shubert). The musical in the suspone in white These the with its sec-ince the sec-ince the sec-ince the sec-ince the sec-there sec-the sec-(Bruadaya

(Broadway) To Sweep of St LS to Balaction antr. states

" (Marquist Fing

Empere O'Ned Supreme O'Ned what present a redition of the sec the French disease w Royale: David s his bring bring w Royale: David s his bring bring e course filter strate of the sec software of the software of the

Marra Burnora Marra Burnora Antico metara d Wober - bran In (1. - Kry

Caro) - Gritting

Autor Contact Autor Contact Autor Contact Autor Contact Muchael Martin Autor (Contact Muchael Martin Autor (Contact)

has proportionant applied to the set which is not the set of the task of the set find the task of the

And the L is and Ministrum the failed AT high a returned instruction of the residue to bird. Term ing face the failed of his the cost of the a manuful them

la martin dan mare un trip A dout sould be

And Att 2 Angle to the function of the functio

Multi se sone u ser Multi se sone u ser Sale enco e su ser u En dissuere very interes beserves a me I. Min-t uner has

e op i ni olem k toriti in dia

Martin Section Property

est, Excended types

dever avenue (2

. 442 . 12 09 2 69 200 24 9 1 - 21 . 9 200

a write acts at 122 album is Fristman and a the

WALL ALL CARAGE

ALBRE

4

4.556

no Del

Ve

BS.

200 (L. - R. T.)

1

Two such, one each from Disney and Spielberg, have just opened to breakneck business in America. And preced-ing them has been the year's flercest box-office pace-setter (\$150m to date), Who Fromed Roger Rabbit. Mixing anima-tion and him series. tion and live action, this Dis-ney-Spielberg collaboration is technically astounding, visa-ally dazzling and - for at least two-thirds of its 104-minute length - sheer delight. Take a rabbit with dazed

eyes, floppy ears, polka dot bow-tie and mile-a-minute voice that sounds drunk on helium. Add one yank-accented Bob Hoskins. Place both in 1940s Hollywood and stir in fibri noir visuals. Then encase in plot pastry about a murder. Victim, a nightchub owner, suspect, cartoon film star Roger Rabbit; motive, Roger's jeal-ousy of his luscious humanoid wife Jessica, flirt and vamp ("I'm not bad, I'm just drawn

that way"). Then slip it all into the oven, hake till golden brown and take out after 75 minutes. The movie's mistake is to have let it cook for 104. Late

WHO FRAMED ROGER RABBIT (PG) Steven Spielberg

VERONICO CRUZ (PG) **Mignel Pereira**

THE HIDDEN (18) Jack Sholder, Bob Hant EUROPEAN FILM

AWARDS

on, you sniff the unmistakable odour of red-hot inspiration burning good ideas to a cinder. The plot starts to repeat itself and the final showdown seems interminable. While live action stars Hoskins (as the Chan-dier-style detective hero) and Christopher Lloyd (villsinous "Judge Doom") sing it out in Lloyd's warehouse-HQ, containing vats of lethal "Dip" which destroys cartoon crea-fures, brushstroke hostages Roger and Jessica dangle terri-fied from the ceiling, awaiting

the final credits. Yon would think Hollywood had learned its lesson about overkill climaxes. (There was a near-identical and stupefying one in *Howard The Duck*). But for an hour before desperation replaces Inspiration. Who Framed Roger Rabbit bounces along with mighty brio. The opening film-within-a-film, a. pastiche Loony Tunes cartoon, takes the breath away. Then

forther breath is taken away keep plenty handy - when the cry of "Cut" rings out and we find ourselves on a live action soundstage where the ani-mated stars (Roger and a fast-talking baby in diapers) mix freely with a real live crew and

director. Soon Roger and reality are mixing even closer. Animator Richard Williams (the Londonbased Canadian who created the Pink Panther) and director Robert Zemeckis (of Back To The Future) have their painted

Britons brought up on the gos-pel according to "Gotchal" should see Veronico Cruz. This stars biffing, touching, pick-. pocketing, caressing, wrestling, kissing their human stars. The idea of the "Toons" as an actual tribe of actors, who live in two-dimensional Toontown Atlantic fracas seen from the Argentinians' viewpoint. Deep and frequent shady dives land in the years before the war, the peasant boy of the title (Gonzalo Morales) dreams where the barman is an octo-pos and the password is Walt sent me," has enchanting mileabout by poverty and hardship - squeezing the last drops of age. And when the characters take a rest from ths mixed-media mayhem, objects milk from the goats, watching Dad depart to seek work in Buenos Aires - the boy reads up on pirate comic-books and taks over. A cartoon gun shoots real bullets. A broken-down cartoon car hitches a lift in a real car. Best of all, Zemeckis and his hy his liberal-minded young teacher

screenwriters Jeffrey Price and Peter Seaman, having shown there is life in animation after eira, an Argentinian-born grad-uate of our own National Film Mickey Mouse, set about tak-ing the mickey out of the big-School, has some less liberal gest mousetrap of all: Hollypedagogic tsodencies: like socking us round the back of the neck with symbols if we look like nodding off. (What wood. The fast-talking baby is a Warner Bros gangster in nap-pies ("Dis whole ting stinks like yesterday's diapers"). A boys have to spell in class but "Belgrano"?) And after boy and studio chief rails against the high cost of Toon-hiring while

an airborne Dumbo smiles teacher have travelled to Buesweetly through his office winnos Aires to bunt for Dad, who dow

the art of animation. Pass my

truth-based tale is the South

in that country's rocky hinter-

of nsval heroism. Knocked

tales of sea adventure supplied

Writer-director Miguel Per-

should be the first word the

LETTER FROM NEW YORK

fedora, plus knife and fork.

may have become a "desaperi-This is Hollywood as anyone cido," the writing on the wall who has been there knows it a two-tone place where the God starts to be spelled out in giant capital letters. Sure enough. of freewbeeling make-believe the boy ends np conscripting in jostles with the stern Mammon the navy and sure enough the ship he joins is - the Balof market forces. Who Framed Roger Rabbit is a delight for kids, a spry showbiz fable for adults, and a reanimation of grano.

Yet at best, in early scenes, the movie has a supple and mischievous wit. "Mr Teacher, what does Hong Kong mean?" pipes a schoolboy, scanning the labels on a new issue of Argentina flags sent by the bellicose junta. (The movie throughout is less anti-British than anti-Galtieri.) And the rugged vastness of the coun-try's North-Western interior its parched hills and bonewhite salt flats - is spectacularly shot by Gerry Feeny. Part British-financed, the film carries the piquant credit "El Brit-ish Institute presenta."

It is certainly more worthwhile than The Hidden. Directed by Jack Sholder from a dotty script by Bob Hunt, this has the city of Los Angeles in turmoil at the arrival of an extra-terrestrial slug. It nests in people's innards inciting m to anti-social behaviour (like murder), and only FBI agent Kyle McLachlan seems to have the answer. Your answer: see only on a rainy evening after a few warming drinks

Last Saturday saw the unveiling of the first sver European



Bob Hoskins with Roger Rabbit's luscious humanoid wife Jessica

"Oscars." You may have watched and marvelled on TV. These Euro-Oscars, launched to mark the climax of European Film And TV Year, are undonbtedly a Good Thing. European cinema today is staggering from one crisis year to another.

The Euro-Oscars come at a time when new glamour and kudos are needed. They also come amidst much talk, fuelled by industry cash shortage, of s quasi-federalised European cinema. Although this conjures grim visions of Esperanto coproductions like the recent To Kill A Priest, where mixed na-tion actors meet in a Hell of post-dubbing and phrase-book

dialogue, it need not be and should not be thus. Collabora-tive funding need not result in common-denominator crassness. The best strategy, if we are to re-energise European film financing, is a glorified "exchange system" whereby several nations co-fund a slate of films, but each of those films uncompromisingly carries a single country's identify.

Unlike that other federation of States across tha ocean, Europe is not a mono-culture, and attempts to produce a mono-cultural cinema are car-tainly doomed. In movie terms Italy must be allowed to remain Italian, France French.

Britain British. Great art is rooted in particularity even if it flowers into universality. The prize-winners in last week's Euro-night proved that. **Kryzstof Kieslowski's political** horror story A Short Film About Killing could come from nowhere hut Poland. Wim Wenders's Wings Of Desire is steeped in the history and sensibility of its setting, Berlin, And Britain's most-nominated entry, Distant Lives, Still Voices, is a glorious example of how the most acutely personal story can grow into one that is magically resonant and univer

21

Nigel Andrews



Mr Frank Barlow, chief executive of The Financial Times, with film producer Mr David Puttnam, at the Barbican Centre in London, where he delivered the Financial Times Arts Lecture last Wednesday. Mr Puttnam warned of the dangers facing the arts from the concentration of media ownership into fewer and fewer hands and of the simplification of challenging issues into mindless entertainment. "We must strive above all to describe the world as it really is. Truthfully and, when necessary, in all its complexity," he said. A report of Mr Puttnam's lecture will appear in Saturday's FT.

London Mozart Players OHEEN ELIZABETH HALI

Germanic myths and view of the zoo

'n the final scene of the Metropolitan Opera's new production of Wagner's Götterdämmerung, the massive Gibichung ball collapses as the Rhine overflows and Valhalla burns in the sky. So spectacular is this climax that the New York Times not only reviewed the musical production but ran a separate account describing the stage mechanics - thereby explain-ing away the magic. By an unusual convergence, this experience coincided with the this opening of the retrospective of the West German artist Anselm Kiefer at the Museum form of Modern Art (where it contin-

ues until January 3). Born in Bavaria in 1945 Kiefer, like Wagner, has drawn on the Germanic myths to create a scenario that merges with the tragedies of the Hitler era. In a sense, his total ocuvre with large-scale canvasses encrusted with burning straw

of city skylines. For all the monumentality of tha paintings, Kiefer's originality is more obvious in the compressed surfaces of his small watercolours, where colour itself enriches the subject beyond his usual black to grey to brown palette (particularly one seascape suffused with glowing sunset and, in the foreground, a sword like Siegmund's thrust into a stone cliff). And the charred pages and photographic imagea reworked with oils or sand in his bound volumes tell the story of his motifs in serial

The stress on content, however, may be overdone. Though Klefer says little - except for his titles - his interpreters make free to uncover every lit-erary and historical allusion, and they too are in danger of explaining away the magic. If Kiefer's art, which already earns top gallery prices, is to

Night, in German), is of a dried the brick Arsenal huilding on pressed fern, a prehistoric plant mounted on a scoriated Fifth Avenue at 64th Street surface against streaked lead. Here the elegance of texture and form is decisive. Kiefer may have intended the image as an "archetypal element of life," according to Mark Rosen thal in the catalogue, but that fern is also memorable as a composition on its own.

One of Anselm Kiefer's paint-ings, "March Heath" - a bar-ren and scorched heath in Brandenburg trampled by the throes of war - became a contemporary visual symbol for one speaker in a two-day sym-posium on Landscape and Architecture in the Twentieth Century held recently at the Museum of Modern Art.

Although the theme was interpreted by many profes-sionals in the field as concerning landscape architecture, the underwater can be viewed

The old 200 was in a deplorable state for humans and animals alike, and not even Hum-phry Repton could have done a better before and after picture than architect Kevin Roche. Although some of the original low brick buildings with granite animal friezes along the cornices have been retained, the zoo is now reorganised into three zones and tha terrain was built up with hilly shrublined paths and walkways so that some of the best views of the city skyline over the park's golden treetops are now in the

Joining tha three zones is an elegant glass-roofed pergola walkway with brick columnar posts and granite capitals in an Egyptoid style that would be equally at home in any number of Lutyens-Jekyll gardens, especially as the wisteria takes hold.

The tropic zone, housed in a

through glass. The sea lions in a new glass enclosed pool are still the centerpiece of the zoo outside and the old gnarled crabapple trees were retained. But now in quadrants around this central area, garden designer Lynden. Miller has worked her customary magic with plantings that never fail to attract by subtle combinations of texture and form.

Turtan is the exhibition at the Fashion Institute of Technology for anyone smitten by the mance of plaids (until Febru-

ary 4). This beautifully installed show takes the plaid fabrics from their earliest forms of peasant dress and traces their history through military regimental and clannish garb, dispelling the myths devised by wool merchants that ascribed certain tartans to specific

The great flowering of tar-tan, according to curator Rich-

ard Martin, came when Sir

Walter Scott dressed the visit

of George IV to Edinburgh in 1822 and its popularity with

Queen Victoria made it a

vogue for women and children. The galleries are filled with

kilts, 19th-century ruffled and

The London Mozart Players conducted hy Jane Glover con-tributed a delightful and unusual programme to the South Bank's Schoenberg Festival on Wednesday. Two of Schoenberg's late tonal works and one of his earlier were interleaved by two choral works by Brahms, of which Namie (Op. 82) is seldom heard indeed

Schoenberg's Chamber Syn-phony No. 2, begun soon after the first in 1906 but only completed in 1939, received a beau-tifully sympathetic rendering. Its Adagio first movement was made to sound particularly dia-phonous and subtle, the note of contained frenzy in the Con fuoco part of the remaining movement was accurately caught, and, throughout, the work's curious blend of crafts-

manly sohriety and dark expressive bitterness was allowed to make its plea.

His Suite for String Orches-tra, completed in 1934, was a hopeful attempt at adding to the school orchestra repertory sparkling and, consisting as it does of five pseudo-baroque move-ments, reflects Schoenberg's experience the year before in blowing up a Handel Concerto Grosso for large modern orchestra, it is tonally centred (ou G) and the individual. movaments (the prolix final movaments (the profix that Gigue excepted) are marvel-lously refined stylizations, full of pith yet light in tone and frequently witty. The deli-ciously syncopated, texturally coruscating Menuet aven brought Schoeuberg close at times to the world of Dag Wiren's Serenade for Strings ery. Wirén's Serenade for Strings

and Radio 2. Jane Glover's account of the work could not have been more neo-classically

The earlier Schoenberg tonal work was the "Song of the Wood Dove" from Gurrelieder, presented here in the com-poser's 1922 arrangement for 17 players, and fabulously well sung by the mezzo-soprano Eli-zabeth Laurence. She also distinguished herself greatly in Brahms's Alto Rhapsody (as did the men of the London. Choral Sociaty). Brahms's lament after Schiller, Nanie, for chorus and orchestra, was short, stately, solemn and sublime. The voices (trained by Ronald Corp) soared with passion yet retained fierce pungent clarity. A welcome discov-

Paul Driver

figures and molten lead turned survive its immediate buman drama, the way Picasso's "Guernica" has after 50 years, to thin ash - convey, as staged settings do, the vast monumental interior spaces and exterior landscapes of his-Grim images these may be of the blackened great hall of Hitler's chancellery (based on a photograph of Albert Speer's

design) or of railroad tracks over charred fields going nowhere, but in the rubble and dust a memorial flame burns the me or water shimmers to purify and regenerate life. This twilight-of-the-gods has

more to do with the emerging role of the artist than with civilisation as a whole. While the imagination can inhahit Kiefer's three-dimensional halls and deep forests, the viewer set below the picture's frame is excluded from the vast interi-ors and high distant horizons tant arcade.

then the technique that supports the content must endure on its own. Kiefer's reliance on American Abstract Expressionists like Jackson Pollock and on his German predecessor Joseph Beuys makes for an art at its best where the beauty of the abstract images outweighs

This balance is fine in "Brunhilde-Grane," where the flames engulf the Valkyrie and her mount, and in "The Rhine," a large wood-cut and arrylic where a bold striated pattern of black trees reministant as an image to the New World as the classical or for-mal garden was to the Old. cent of Franz Kline is superimposed on the river and a dis-

One of the triumphs of archi-tecture and landscape in this decade is the recently com-pleted Central Park Zoo behind But the most piercing and rewarding work of all, called "Midsummer Night" (St John's

PRIVATE HEALTH CARE

lectures and discussions centred more around a description skylit octagonal brick building, of contemporary landscape and man's relationship to it.

is a dripping two-level tropical rain forest with waterfalls and In general, views expressed were divided along two lines: landscape and architecture as streams and the vistas, real and artificial ones, appear endless. The open treed areas are alive with birdlife, and the glass enclosed environments being either representational of nature or confrontational with it. And the underlying are artfully crafted like old-fashioned dioramas. For issue concerned the American wilderness seen either (as it example, the spectator is made to feel spookily inside the bat cave as the bats fly out to twi-light. was by early settlers) as an endless supply of free land or (more commonly now) as a rare landscape, the preserva-tion of which may be as impor-

In the temperate territory, ontside, snow monkeys are established on islands of imagiestablished of Examples of Inagi-native rock ontcropping sur-rounded by a most. In the polar circle the penguins live on the edge of an ice pack with polar light to regulate their life cycle; when they dive into a pool every graceful movement

SALEROOM

braid-trimmed taffeta tartans or sturdy wool walking dresses and paintings by Landseer and Copley of properly attired gen-A 20th-century gallery has a startling array of tartan fash-ions by top designers from their 1988 collections including Vivienne Westwood's kilts and Scott Crolla's suits. New Yorkers are in the year of the tartan for the holidays.

Paula Deitz

with success yesterday when it sold contemporary art in Lon-don for a record £6,835,400, with just 5 per cent unsold. With a major Hockney show at the Tete it was not survivising

the Tate it was not surprising that he set a nsw auction record, £352,000 paid for "A neat lawn," an acrylic of 1967 depicting a suburban house in Parbelow Colleman

Berkeley California. This was dwarfed by the

This was twarten by the 2396,000 paid by a French pri-vate buyer for "Le Tao," a 1956 abstract by the French artist Jean Atlan which had carried a

top estimate of £80,000. The

same buyer paid £231,000 for "Sumatra" also by Atlan, a rel-

atively unknown artist who in the past year has attracted a keen coterie of admirers. A

typical Lucio Fontana, with slits in the grey canvas, dou-bled its estimate at £396,000,

while a wall mobile by Alexan-der Calder sold for £284,000. Sotheby's secured another record in New York, for a Chi-

It was the finest whisky in the Kingdom. So why did the King keep it under his hat?

for many years The Glenliver® single mult was George IV's favourite whisky. Unfortunately, it was being distilled illicitly in a remote highland valley. And had been since 1747.

Huwever, by 1824, au Act of Parliament helped make this whisky legitimate. Was it so that the Monarch could enjoy this save and subtle spirit

with a clear conscience? Whatever the reason, eant that the crowning glory of single malts was freely available lesser mortals - not unlike yourself.

The Glenlivet 12 years old single malt whisky.

	Ĵ	K	А	\mathbb{N}	$^{\circ}V_{2}$	1_1	ــا بــ		-
1	SP	ON	SOR	ED	SE	CUF	UT	IES	5
lyk,	Low		Company		Price	Classific	div (p)	*	P/E
			ini, Graining			0	10.3	3.7	7.4
			Cols			0	10.0	3.6	
42 57	2	Architage	and Rhodes	10	37	-1	21		5.3
						a			21.6
17	100	Barrice Gr	Con Con Pr	d	117	e	57	57	
48	103	Sray Tech	sologies		105	0	5.2	5.0	8.4
14	100	Brenhill	low. Prof		110	0	11.0	10.0	
66	246	CCL Group	Grilling	_	286ad	0		43	G
70	124	CCL Group	11% Canv.	Peter	169	-1	14.7	8.7	
	123	Carbo Pic	SE		13030	-1	10.2	92	110
			*			đ	12.9	14	7.8
									15.5
19	87	tariana C	THE (SE)		22670		33	3.0	122
87			. IV GantS			-2	~	-	-
17			ties			5	75	6.8	42
						0	8.0	2.0	37.1
80	194	Torday &	Gerlisie		278				135
50	100	Torday &	Caritale Conv	Pre	100	0	10.7 2.7	10.7	
96	56	Treifan He	NGLags (USN	0	95ml	0	2.7	29	10.2
23	100	Unistrat E	Strope Copy P	76	108	0	8.0	7.4	
2	350	Veterlain	Dring Co. Ph		353	0			
90	203	W.S Yest	5		330	0	16.2	4.9	63.5
hei hei	e Sata ted No	ange. Obbe ricker unt d r Granville	SE) and (US r securities i basis in stric Daries Line	that share	art desit i atched bary	a sebject to pile ba <u>sic</u> . A la these sec	the rules (leither Gra arfules	x TSA unille &	Ca
Gener	ile à	Ce. Linde		-			Granville		
			EC38 IRP	(6	S Longh	Lune Los	01-677	1717
						of the Sto	CPOOLE	1.061	TEA
					MEMDE		ск ежти	125 6	130

London, 29 & 30 November 1988 Major issues facing the private health care sector in Britain will be discussed at this two-day conference and will include the importance of co-operation between the public and private sector, employee hesth care, new dimensions in heath insurance and care of the elderly.

Speakers Include:

David Mellor,MP,QC Minister of State for Health	Harriet Harman Opposition Spokesperson on Health
Robert Graham BUPA	Marvin Goldberg AMI
John Chawner British Medical Association	David Willetts Centre for Policy Studies
Derry Andrews Sun Alliance Health First	Peter Townsend Bioplan Holdings
Dr Derek Taylor Marks and Spencer	Paul Stacey Nutfisid Health Care
Mike Stockwell Kodak	Prof Jan Blanpain European Health Policy Forum
Peter Farmer Arthur Young	Joe McGraine 3i
For further details and registr	ation form please contact.
Financial Times Conference Of 126 Jennyn Street London SW1Y 4UJ Tslephone: 01 925 2323 Fax: 01 925 2125 Telsx: 27347 f	

Another Picasso record of 50, "Buste de femme an cha-peau." Sotheby's was also flushed

There is nothing like a good provenance to draw out buyers and you can hardly have a bet-ter provenance for Cubist art than Douglas Cooper, the eccentric Australian million-aire whose fascination with Cubism began in the 1920s and stayed with him until his death in 1984. He was a friend of many of the great artists, huy-ing works direct, and entertaining them in his castle in the south of France. Christie's on Wednesday night sold draw-ings and sculpture, prints and posters, from his collection for an amazing 23m, three times the estimate, with all the 127 lots selling. It was fitting that a relaxed 1914 Picasso watercolour still

life, including a glass, playing cards and peaches, should make a record £858,000, three times the estimate, to a private buyer. It was a record for any 20th century drawing and is a nice rider to the record price for any 20th century work of art, £20.9m, achieved for a Picasso oil at Christie's forty eight hours earlier.

A Giacometti painted plaster portrait bust executed in 1954 and given to Cooper three years later, sold for £860,000, while among the other records were the £143,000 for a Leger drawing, a study for the paint-ing "Mare et Enfant," and £132,000 for a Picasso linocut, a 1962 lithograph from an edition

nese painting, £253,619 for a mid 18th century hand scroll showing an emperor's tour by Xn Yang. Nearer home, a set of four A.A.Milne first editions made a record £6,050, while a first edition of Lewis Carroll's "Alice's Adventures Under-ground" did well at 25,280.

Antony Thorncroft

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4 P4BY Telegrama: Finantimo, London PS4. Telex: 8954871 Telephone: 01-248 8000

FRIDAY DECEMBER 2 1988

Low-powered competition

THE UK GOVERNMENT has made much of the hope that its radical plans to restructure the electricity industry in advance of flotation will create an entirely new competitive regime for the building and

22

running of power stations. The draft Electricity Bill, published yesterday, indeed shows that the need to promote competition has been taken mnch more seriously than in earlier privatisations, particularly of British Gas. However, the bill and details of the associated licences now emerging also show that competition in electricity genera-tion will be peculiarly constrained.

The Government's idea. sketched out in its white paper in February, was that two large power companies, inher-iting the Central Electricity Generating Board's plant, would compete for the custom of 12 area distribution companies. Additional competition would be possible from smaller independent generators as well as from imports of power from France and Scotland.

This was a very imperfect starting point for a competitive market, because of the domi-nance of only two generating companies, which will be the largest and sixth largest in the world. At the same time, the Government's insistence that the privatised industry must maintain a nuclear programme is likely to fence off some 20 per cent of the market from competitive forces.

Further limitation

As the plans have developed this summer, the scope for effective competition has been further limited, partly because of the special characteristics of the electricity industry and partly because the Government's advisers fear that increased competition would load the newly privatised com-panies with higher risks.

To counter pressures for the distribution companies to spread risks hy banding together in a joint purchasing arrangement, the Government is likely to insist that they initially sign contracts for the output of individual power stasemblance of competition, how ever, because of the way in which all power plant will be centrally despatched (switched on and off) by the new National Grid company, in the interset of officiency

interests of efficiency. Under a competitive regime the grid might hold an open aoction, with rival power sta-tions offering different prices. The system envisaged by the Government, however, will allow the hidding to take place within two closed clubs. These ket. clubs, one for supply compa-nies and one for the genera-tors, will share out the benefits of the anction among mem-bers. The two generators will therefore keep any profit resulting from lower fuel prices. This will not be passed on to distributors until several years later when contracts come up for renewal.

Expensive capacity

Controlled prices for the majority of customers would reflect lower generating costs later still, when the regulatory formula started to reflect the average contract prices in the distributors' club.

in view of these complexities and the dominance of two large players, it remains uncer-tain whether new companies will want to build expensive generating capacity, especially as the Grid will not guarantee that it can run at full capacity. Innovative contracts and a flexible application of regulations may promote new compe-tition. Bidding for new projects may drive down capital costs, but the forces of collusion and

integration may still prove strong. Fortunately, the powers of the new regulator seem robust.

However, it is regrettable that the Government has pushed abead with its plans so quickly that the regulations and contractual framework are being thrown together on the run, without any time for measured public discussion of the princi-ples behind them. This haste and the scant attention given last year to alternative reor-ganisation schemes - means that despite its ambitious and revolutionary scope, this hill should be seen only as making the best of an opportunity

omura Securities, the Japa-nese giant of the financial markets, was once set to bury its international rivals in an avalanche of money. It has not turned out that way. While Nomura goes from strength to strength at home, it has so far pushed only a fraction of its \$32bn (£17.4bn) of assets overseas. In London, it has huilt a sizeable business. But in New York, the world's largest and tonghest securities market, it has hardly made an impression.

In theory, the 1987 stock market crash should have presented Nomura with a golden opportunity to take advantage of its Western rivals.

Nomura escaped relatively unscathed from the turmoil which left some of its international competitors with great holes in their balance sheets. Bright staff and market share should how how them there for the taking have been there for the taking. In practice, Nomura has reacted to Black Monday and its aftermath in the same cautious way as most of Wall Street and London. With the exception of one conspicuous foreign acquisition, Nomura has played safe and concentrated on the home mar-

There have certainly been good reasons for Nomura keeping its money at home since October 1987. Among the world's main financial centres, Tokyo alone has seen the securities business recover to near pre-crisis levels. Pro-tectionist lobbles in Europe and the US have been increasingly strident in warning Japanese companies to tread carefully in foreign markets. The strategy raises some fundamen-tal questions about the international

future of Nomura, and of other Japanese financial companies which have often looked to Nomura to lead the

• With vast opportunities in the fast-growing Japanese market, should it attempt to huild a global securities husiness? Cossetted by a favourable domestic

regulatory structure, is the company prepared to take the big risks inher-

ent in going overseas? • If Nomura fights shy of building a global securities business, is the task beyond the reach of any of the world's big financial institutions?

Certainly, no capital markets com-pany is as yet in sight of marching the international scope of American Express in retail financial services, let alone IBM in computers or Exxon in

Mr Yoshihisa Tahuchi, Nomura's president, has a stated goal that half the group's revenues should come where the operations have stayed in profit despite a sharp decline in turnfrom international operations. But he over in European securities markets, Nomura has one of the largest equiis far from his target. In 1987, at the peak of the bull market in interna-tional securities trading, the figure was 7.7 per cent. In 1988 it will be less. "They're in London to stay, that's clear," said a British broker.

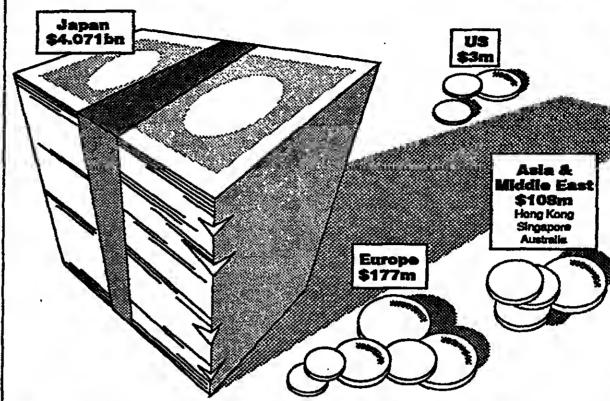
On the face of it, Nomura has been committed to internationalisation from its earliest days. The group opened its New York office in 1927, within two years of its foundation. But in practice the main benefit to Nomura of its early overseas presence were the ideas it could suck in from abroad - notably learning about retail marketing from Merrill Lynch. This inward-looking view changed in the early 1980s when Japan's grow-

ing export surpluses made it es for securities comparies to improve their access to overseas markets, prin-cipally in New York and London. The

Risk of missing the global bus

Stefan Wagstyl on the overseas ambitions of Japan's Nomura Securities

Nomura consolidated pre-tax profits



the pack. Mr Morimasa Yamada, the executive vice president in charge of international operations, says: "Ide-ally, we are trying to be like S.G. Warburg in London, and like Morgan Stanley. Merrill Lynch or Salomon Brothers in New York " Brothers in New York." Mr Tabuchi says the main reason

Nomura has had more success in London than in New York is that "Europe is a global market, whereas Ameri-cans are much less interested in global markets." There could be a another explanation. Perhaps Nomura has not yet made a big enough com-

At the heart of Nomura's dilemma is the phenomenal success of its domestic operations

mitment of people and capital to establish itself among the giants of Wall Street.

At the heart of Nomura's dilemma

competing directly in securities. But at the same time liberalisation opens up new possibilities - such as the newly launched stock index futures market. Nomura has brains as well as brawn. First, when it comes to cost and risk control, Nomura is run like a bank, a tradition dating back to its origin in 1925 as the bond trading department of Daiwa Bank. Nomura likes safe broking income, not risky trading profits.

To end September 1987

It was no accident that the group emerged stronger than other securities companies from the 1965 Japanese ties companies from the 1965 Japanese stock market slide – an event which drove Yamaichi (then the biggest company) to the brink of collapse. Next, there is innovation. NRL&NCC, Nomura's research affiliate, is, with 2,500 staff, the world's largest corpo-rate think bank. The Daiwa Research Institute has 200.

There is an element of luck in judging any market as volatile as securities, but Nomura has a reputation for using research to spot opportunities. For example, in the 1970s it created a

new market for medium-term bonds among small investors by packaging these previously unpopular instru-ments in a special fund, and promoting it heavily. Finally there is the company's huge energy. Although Nomura is conser-vatively run, decision-making is quick and flexible. A Japanese banker says Nomura is managed not like a finan-cial institution but like one of Japan's Modultath of Japanese personal savings continues to grow, expanding Nomura's potential market every year by 10 per cent plus. Certainly, the Ministry of Finance is reducing some of the fences which keep outsiders – incloding commercial banks – from

unusual by Western standards, but uncommon in Japan.

Loyalty to the group, and to its work ethic, is legendary. Some staff have renamed Nomutra "noruma", after the Jopanese pronunciation of the Stakhanovite "norm". But even those rare people who leave have no complaints about the group. It is casy to see why huliding over-seas copies of this corporate monster have proved impossible. The group culture is suited to a large multi-divi-sional group in Janan, with Japanese

sional group in Japan, with Japanese staff. Although commission is paid, ht is a much lower proportion of sales-men's salaries, for example, than at comparable American brokers. Nomura has far more in common with other well-run Japonese compaoles such as Honda than with the hig Wall Street houses.

It is hardly surprising that foreign It is hardly surprising that foreign staff have sometimes balked at the levels of group discipline imposed on them. Some have even quit. In New York, Nomura has attracted enough analysts and traders by paying high salaries. But it cannot lure the best of Wall Street's business-builders - the top managers needed to run the oper-stion

The big question now is whether Nomura will give New York more time - or whether it will toke a risky short-cut and buy a big US broker. There is no shortage of offers. Mr Junichi Ujile, o general manager responsi-ble for corporate planning at Nomu-ra's head office in the Nihonbashi district of Tokyo says the group com-sidered huying three Wall Street com-panies in the past 18 months - Bear Stearns, E.F. Hutton and Kidder Peabody ~ though only in the case of Kidder did talks begin.

Each time, Nomura thought the better of the deal because it feared it might not be able to manage its acqui-sition. The group believes the same difficulties of combining the corporate culture of Wall Street and Nihonbashi it already faces in New York will emerge on a far bigger scale in a \$10n-plus acquisition. "If we bought a US wire house [large retail broker], who would manage it?" asks Mr Ujile. But while Nomurs waits for in-house developments to come right, it loses time. The fountain of ideas in securities is still in the US. Nomura needs to be on top of the market to keep abreast of developments which sooner or later also reach Tokyo.

Earlier this year the group bought a 20 per cent stake in Wasserstein Per-ella, a Wall Street boutique specialising in mergers and acquisitions, for \$100m. It was a bold move which catapulted Nommra into a partnorship with a company headed by two top specialists in mergers and acquisi-

But it was also a burried attempt by Nomura to catch up with a market where it felt it was being left behind. It could no longer afford to wait because of the interest of Japanese companies, the core customers, in international mergers and acquisitions. Mr Mitsuo Goto, president cf Nomura Wasserstein Perella, a Nomura-WP joint venture in Japan, says after trying to develop in-bouse mergers and acquisitions skills Nomura had to make an acquisition to "keep

tions. The resulting network of the be contracts will create only a missed.

New leadership in Mexico

MEXICO'S new President, Carlos Salinas de Gortari faces the twin challenges of revitalis-ing an ossified, corrupt and corporatist system of govern-ment and of pushing through the modernisation of the econ-omy. Success or failure in this task over the next six years will determine whether Mexico can bridge the gap between the Third World and the First World.

Mr Salinas, who assumed Mr Salinas, who assumed office yesterday, is in many respects well equipped for the challenge. His presidency rep-resents a welcome change in generations and he possesses formidable technical qualifica-tions and sound administrative experience. In the outgoing De la Madrid administration he was the principal architect of one of the few economic poll-cies in Latin America that seri-ously tackled the problems brought about and revealed by the debt crisis.

Yet no recent Mexican President has assumed office with such a difficult inheritance. Mexico is moving inexorably away from the institutionalised one-party hegemony of the PRI which has conditioned national life in the 70 years since the revolution. The presidency no longer enjoys near absolute power and Mr Salinas confronts the novelty of a parliament with a strong opposition and a genuinely popular leader in the left-leaning nationalist. Mr Cusuhtemoc Cardenas. Any deal with the newly powerful opposition is complicated by the latter's insistence that the July presidential and congressional elections were fraudnlent an insistence that has, in turn, chipped away at Mr Sali-nas's appearance of legitimacy.

Narrow margin

Even if one accepts the offi-cial results of the elections, Mr cial results of the electrons, MT Salinas won hy an unusually narrow margin. To ensure vic-tory, he had to rely on pre-cisely those elements in the PRI whose opposition to open-ing up the political system and to shifting the state away from its ald computies role in the its old corporatist role in the economy is proving such a handicap to genuine economic

reform. Mr Salinas is relying on retaining the current social pact between the Government reform.

labour (whose leaders are still part of the PRI machine) and husiness. The pact, which aims to control public spending, wages, and the exchange rate, is due to expire at the end of the year. Though successful in the prime objective of curbing inflation, it has been enor-mously costly to the country's reserves. It can only be pro-longed if the new President offers two distinct carrots: the

prospect of a modest recovery, preferably by the latter part of next year, and a plausible promise of a new agreement with Mexico's international creditors to relieve the debt burden.

Such an agreement is vital. Low oil prices and a prospec-tive slowdown in the US econ-omy are making the transfer of resources outside the country ever more difficult to sustain economically and harder to justify politically.

On a knife-edge

With Mr Salinas on a knife edge from the outset, it is encouraging that Washington has recognised the delicacy of the situation. The agreement by the US Federal Reserve and Treasury in October to provide a special \$3.5bn bridging package was the clearest possible demonstration of US resolve to bail out its strategic southern

by the unexpected meeting in Houston last week between Mr Salinas and President-elect George Bush. Mr Bush, with his Texas constituency, has clearly made the political and economic stability of Mexico a priority. Even without the special

Mexican US relationship, the new President deserves a sympathetic hearing. Mexico has persevered with some tough adopted a consensual approach to the international financial community – a responsible posture which has undoubtedly helped soften the impact of the six-year-old debt crisis in Latin America. However, Mr Salinas will deserve the sustained sup-port of the international com-

London. to the top of the league of Euromarket

The rose and the snake The unofficial title of the

European Community summit, which opens in Greece today, could well have been. The Name of the Rose," after Umberto Ecco's novel of medieval monastic skulduggery.

Not only does one etymological theory hold that the island of Rhodes, which is hosting the summit, takes its name from the Greek word "rodon", meaning "rose", but the 12 EC leaders will hold their meetings in the medieval setting of the restored 14th century Palace of the Grand Mast huilt under the Knights of the Order of St John, who were established on the island in

1309.

Papandreou's illness has kept him out of action for two

of the Greek Presidency's six months. He had hoped to use

it to boost his Government's

prestige at home. As it is, Greek public atten-

a Socialist defeat in the general elections, due in mid-1959.

Papandreou's troubles sug-gest that another theory of Rhodes may be more appropri-ate. Some etymologists believe

that it was not named after "rose" at all, but after a Phoe-

nician word meaning "snake". Centuries ago the island was

The skulduggery might be missing, though one can never be sure. The Greek Presidency wants to keep the peace at all costs during the summit, not least out of concern for the health of the Socialist Prime Minister, Andreas Papandreou He is still recuperating from a serious cardiac operation in London in September and cannot take much stress. neighbour. This was further underlined

tion is distracted by the domes tic political crisis which erupted last month, when the banker and press baron, George Koskotas, a husiness-man with close contacts with the Socialist Government, fied the country after heing charged with heavy fraud. The scandal looks like leading to

munity only if economic restructuring goes hand in hand with domestic political

----- po - - -

these two centres made it urgent for Japanese companies to move fast. From 1983 to October 1987, Nomura's staff rose from just under 200 in each city to 640 in New York and 510 in

liberalisation of securities markets in

In London, the group built a broad equity and bond business. It acquired a seat in the British gilts (government bonds) market; and it muscled its way

80 staff have gone to cut costs. Never-theless, New York is expected to have made "a slight loss" in the 12 months to the end of September. "What to do about the US is Nomn-

underwriters, helped by the fact that many of the lenders and borrowers

were in any case Japanese. In New

York, Nomura attacked a wide range

of markets simultaneously from merg-ers and acquisitions to mortgage-

backed securities. It became a pri-mary dealer in US Treasury securi-

The strategy worked in London,

ties research teams in the City.

But New York is a different matter.

Even before Black Monday, when Wall Street was making record prof-its, Nomura's New York business barely broke even. At the end of last

year Mr Masaki Kawamura, perhaps Nomura's most experienced interna-

tional manager, was transferred from beading the London operation to take charge in New York. The subsidiary's

capital has been doubled to \$200m and

ra's higgest difficulty," says one Japa-nese banker. Nomura's prohlem is that New York is central to its global ambitions. For Japanese investors the US is the prime overseas market, accounting for about 90 per cent of all investments in foreign securities. In Nomura's view, this husiness can only be handled properly if the com-pany has a completely local presence - anything less means running a constant risk of being one step behind of

Observer

infested with the poisonous

artists direct to buy them. The

Nedo, the National Economic

Development Office, has recruited an expert on wages, employment and productivity

as its new director of econom-ics. Kenneth Mayhew has been

ics. Aennern Maynew has been persuaded to leave the high table and senior common room at Pembroke College, Oxford, for Nedo headquarters in the unappealing 1960s Millbank Tower. He takes over in Janu-ary from Walter Elkis, who has already moved up to heave

Already moved up to being Nedo's director general. The 41-year-old Mayhew comes to Nedo by a round-about route. A Manchester

Grammar School lad, Mayhew kept up his Stakhanovite repu-

tation when studying history

in the easy-going Oxford of the late 1960s. He learned his

economics at the Treasury before returning to Oxford in

1972.

aim is to keep prices under

Stakhanovite

\$400.

reptiles.

domestic operations. Virtually all of the parent company's pre-tax profits of Y405bn (£1.8bn), reported last month for the year ending September 30 1988, were earned in Japan. Nomura has all the advantages there of being the market-leader in a high-margin, fast-growth industry. The mountain of Japanese personal

A company with \$32bn in the bal-ance sheet can afford to take a chance with \$100m. If Nomura convinces itself it can work with Mr Bruce Was-serstein and Mr Joe Perella it will perhaps build up the confidence to take bigger risks in the US.

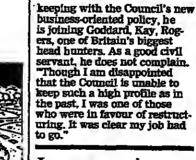
Nomura will congratulate itself on its patience if the American markets stay in the doldrums. But if 1988 marks a low point in the fortunes of US securities houses, then the Japa-nese giant will have missed a rare opportunity to take advantage of Wall Street in a moment of weakness.

The state Guardian art The Guardian is catching up with the pack and bringing out a Saturday supplement tomorrow. "It's not another colour magazine," says Alan Rusbridger, who edits it. "It's a tabloid with brains." It is a bound with orans." It is predominantly black and white, 48 pages, and aims at carrying about 35 per cent advertising. It contains a rather good idea: a sort of exchange and mart for the non-expensive art world. Artists can submit slides of their work. The Guardian will unblish them BANX 6 in the "I'm an undercover drink drive crackdown agent." Guardian will publish them and readers can negotiate with

Quiet diplomacy Richard Francis, the British Council's Director-General since July 1987, has been a good boy as far as the Prime Minister is concerned. Unlike his predecessor, Sir John Burgh, now President of Trin-ity College, Oxford, he has refrained from tub-thumping about the Government's mean

financial treatment of the Council's work. As a reward, the Council was recently given an increase of 56m in its grant - 28 per cent of its total income - the first rise in real terms for 13 years. However, the vow of silence which Francis has imposed on his staff has had inevitable consequences. Its press and information service has become virtually redundant, and its activities have been incorporated in e new unit attached to the DG's office.

The head of the department, 47-year-old Michael Barrett, anticipating the abolition of his job, has decided to leave the Council after 25 years. In

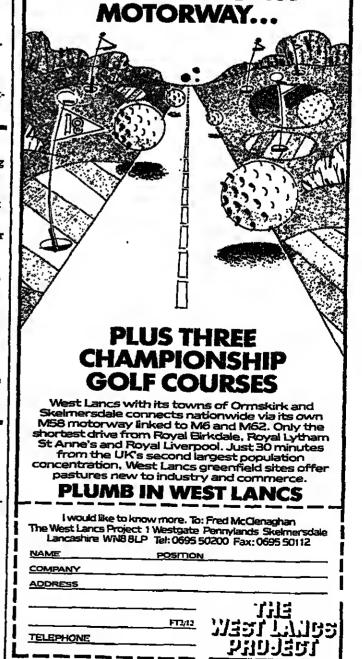


Japanese wit

The Japanese may be buying up the western art world; one day, however, we may all be collecting Japanese cartoons. Two of the winners in the first international competition for cartoonists to be held in was a Russian and although none of them seemed either especially funny or satirical, perhaps it is an acquired taste. The competition, sponsored by Waddingtons, will become an annual event. Victor Watson, the company chairman, said he considered sponsoring an exchange of views in the Cabinet or a burst of applause in the House of Lords, but settled for cartoons instead. The sponsorship cost £35,000. There is some hope of setting np a national cartoon gallery in the next few years.

Nostalgia

Workers cleaning off old posters at London's Bank Underground station have revealed pristine advertisements from an earlier, pre-deci-mal, era. One is for bottles (at 1/6d and 3s) of Dr J Collis Browne's Chlorodyne, an antidiarrhoea medication fondly remembered by those of a cer-tain age - not least for the hearfelt testimonies from vet-erans of Gallipoli that used to accompany each box. Another is for watches (at £2 5s and £7 7s), advertised with a curiously topical slogan: "Buy the Bravington way pay cash." The Chancellor would approve.



YOUR VERY OWN

hen young British soldiers are murdered in Ireland, Mrs Margaret Thatcher lets her heart rule her head. When suspected terrorists look like getting away, she loses her temper. It is likely that the over-wheiming majority of British people respond in the same way. It is a natural human reaction:

BER 2 1988

standards, bu

up, and to its my. Some star ira "northia" (onunciation of me". But of

in the part of the

Strup.

rporate monster porate monster bie. The group inverte multidiri. . whit Japanese insuch is paid, it portion of sale tample, then at icon broken in common with nese companies with the big Wal

sing that foreign s balked at the

Aline imposed at the en guit in New attracted enough ; by paying high at have the best of a builders of

איייין אייין א אייין איי

now is whether New York how I will the 2 they a big US broke of offers. Mr Jun-manager reserve

manager responsi anning at Nome (the Nihonbash

ys the group cone e Wall Street con-is months - Bee a and Kidder Pe

ity in the case of

ra thought the based of the bas

ante si santar t

believes the sale

ining the corporate

tor and Niborbash

I NEW YOR M

bigger scale ma

urgo retali broan siti: 2553 Mr Cha imura valis in

ents to come tot

formain of ideas a

di the US. Nome

o of the Tames

evelopments and

יול ביפור קיצרים אלו גענונים קיצרים אינוי

C DOUTLOUM FREINE

nd available is

and in the William

into a pinceto

active or the

STREES AND STORE

o a hurned atom

rh co v. z : me

as being hit me

get allors to ap

annes a ligas

COTE CUSIOTED, 1

ereers and area

a Cesto, president reita lo colla a lorga dane in lotat m

WY LES UNITIAL SEE

ah stir size Stort to the 1 day Acres to contain A 3 12 1 12 57 13 74 ಕ ರಿಷ್ಠಾತಿ ಕಾಲ್ಲಿ ಸಿಸ್ ಆರ್ಟ್ರೋ ಕಿರ್ದಾಮಿಗಳು

nensi selle Nazi 🕻 ALC: UNDER

to react Tokya

ties

This does not excuse the Prime Minister. What she says is of critical importance. Much harm can be done when she lets her feelings dominate her judgment. Her Government has sensibly devised a long-term, consistent, policy whose purpose is to min-imise support for the terrorists, it is based on the Anglo-Irish Agreement which, to her credit, Mrs Thatcher signed three years ago. The agree-ment has two prongs. In British order, the first is to strengthen security. The second is to win the political argument. The Protestants must accept power sharing; the Catholics must be convinced that their aspirations can be met. Every resident of the six counties must feel confidence in the administration of justice. The extrem-

ists on both sides must be isolated. It is true that the overall level of violence has remained high since this agreement was signed. Protestant agreement was signed. Protestant paramilitary organisations have stepped up their activities. The IRA still possesses large stocks of explo-sives provided in earlier years by Libya. That is one reason why the agreement has few firm friends on the Conservative banches. Yet every brit Conservative benches. Yet every British minister with direct experience of Northern Ireland still believes that the best hope lies in a persistent and patient pursuit of the two-prong strat-

The Prime Minister has, however, made the worst of both worlds by going too far on security and not far going too far on secting and not far enough on reform. Her sporadic inter-ventions have greatly damaged rela-tions with heland. They cannot have enhanced Britain's global reputation. Hard as it may be for the English to understand, many Europeans and American are properties to the sect Americans are receptive to the accusation that Northern Ireland is the victim of British colonialism. Those who peddle this accusation have had a good year. The consequence is likely to be a longer lease of life for the IRA. Take, for example, Mrs Thatcher's outburst in the House of Commons this week. She was, she said, "atterly dismayed" at Belgium's failure to hand over the Irish former priest, Mr Patrick Ryan, whose extradition was sought nn the ground of various alleged terrorist offences. The Belgian Government chose to allow Mr Ryan to fly to Dublin. Despite British hopes, he was not arrested on arrival. "Although the Government of the Republic of Ireland makes fine sounding speeches," the British Prime Min-ister thundered, "they do not always seem to be backed up by the appropriate deeds," So much for the Belgians and the Irish. Next on the list was the Emonean Court of Human Rights, It had ruled that seven days was too long to hold a terrorist suspect before bringing him or her before a judge. The Government, said Mrs Thatcher

11: 1 and the second sector in the second An in a subscription of the sub-

with understandable feeling, had to

بروار والمتعاد فلير





Mrs Margaret Thatcher, left; and Mr Tom King, right

Diplomacy by

megaphone

By Joe Rogaly

take account of the human rights of the victims and potential victims of terrorism.

In case her populist statements were not plain enough, Downing Street intinated that its boss was in a state of livid fury. Such indications of displeasure serve very well to enthuse Tory backbenchers, or even to bring recalcitrant ministers into line, but the megaphone is not often an effective instrument of diplomacy. The Prime Minister is careful to show her awareness of this when it comes to South Africa. She always addresses President Botha's republic with the utmost delicacy and respect. She understands real diplomacy particu-larly well in the case of the United States. President Reagan is about to leave office in the nick of time. Another month or so and he would drown in Thatcherite treacle and Margaretine syrup. Surely the Irish, who own most of the world's patents on various forms of flattery, would be even more susceptible to it. Tn what *should* be the Govern-

ment's acute embarrassment, the Prime Minister's expressions of rage have turned out to be awkward to justify. Tick off the items. First, on reflection, it is beginning to look like it might be possible to live with the European Court ruling. Five days might be long enough to hold a sus-pect, or a judge could be introduced into the mechanism. Second, Brussels may well have taken fright at the

approximately and state of the

prospect of IRA revenge, but it can also argue that Belgian law precludes acceptance of the British demand for extradition on the hasis of the evidence presented. Third, the Irish Gov-ernment has obliged Britain to admit that there were defects in the papers sent by the British Attorney General, Sir Patrick Mayhew, to Mr John Mur-ray, his Irish counterpart. The Irish

Mrs Thatcher has gone too far on security and not far enough on reform. Her sporadic interventions have greatly damaged relations with Ireland

protest that the Belgians were given plenty of time to assess the evidence; why should they be ordered to jump to in a matter of hours?

This last item is, however, more complicated than that. The Irish extradition law is brand-new. A faulty decision by Mr Murray might be overturned in the Irish courts. The law itself might he thrown out when it comes up for renewal in the Irish Parliament. Again, the Irish regard Sir Patrick as a Unionist at heart, and by inference as a man who is highly sceptical of the value of the Anglo-

Irish Agreement. This view is well-known in Westminster. It may one day prevent Sir Patrick from hecoming Secretary of State for Northern Ireland.

Meanwhile the actual Northern Ireland Secretary, Mr Tom King, must do his best to repair the damage caused hy Mrs Thatcher's erratic calls for action. The pattern is becoming familiar. When eight soldiers were killed by an IRA bomb in Ballygawley in August, Mrs Thatcher cut short ber holiday in Devon and returned to Downing Street. That action was in itself unexceptionable: the Prime Minister had to give expression to the national feeling of revulsion at what had happened. It is what she did next

For she called in her Northern Ireland army and police chiefs, plus Mr King, and held a loog weekend of what the newspapers and TV duti-fully portrayed as crisis talks. This was gratuitous publicity for the IRA. Mrs Thatcher was not to be deterred. Something must be done, she insisted, Something has been done. In the three months since those weekend talks a number of measures has been announced. All are on the security side of the equation. All had been debated many times before. Most had been rejected as either ineffectual or likely to be of greater propaganda value to the IRA than they were

worth. The right of suspects to remain

sion that the choice to do so could be taken into account in assessing guilt. its likely effect on the conviction rate is uncertain. Meanwhile, many Irish nationalists will use this new measure as a propaganda weapon against "British imperialism". Britain's broadcasters were told that terrorists could not appear on their programmes. Their words still do; their propagan-dists rejoice. Remission of half the sentence for terrorist acts is to be reduced to a third. This will extend the length of time during which the IRA will care for prisoner's families. It will help it to win hearts and minds. Candidates in local elections will be required to make a declaration against terrorism. The IRA's front men, and some Unionist extremists, will do so, one hand behind their backs with fingers crossed. The IRA is thought to be delighted at the prospect of a fresh doorstep argument in foture campaigns.

هكنامنالأجل

silent was circumscribed by a provi-

This is not to say that the terrorists should be handled with kid gloves. Proper security measures are vital. But new restrictions of low utility except as free publicity for the IRA are worse than nothing. To be fair, Mr King has also enacted a great many other, less well-publicised measures. Most of these are designed to allay Catholic suspicions that justice is administered in the Protestant or the British interest. Appeals procedures have been enhanced. Rules of police and Army behaviour have been made public. The simple fact that under the agreement there have been three years of dialogue between the Royal Ulster Constabulary and the Irish

Garda has improved security. A white paper on fair employment in Northern Ireland was published by Mr King in May; a bill will be pres-ented in this session of Parliament. It does not go as far as Dublin would like, but its provisions would pat pressure on the large Protestant com-panies to open their gates to Catholic workers. If only the British Govern-ment could stop being so easily pro-voked by the IRA, more could be done on the economic side of the equation Co-operation with the Republic of Ireland in improving transport and promoting tourism would be more useful than expressions of anger. The Irish Prime Minister, Mr

Charles Haughey, is himself said to be lukewarm about the agreement, mainly on the ground that it was negotiated and signed by his predeces-sor, Mr Garret FitzGerald, He knows, however, that it is popular. He has therefore sought to say or do nothing that would leave him with the blam for destroying it. Mrs Thatcher had to be talked into the agreement by the former Cabinet Secretary, Lord Armstrong, plus Sir Geoffrey Howe and Mr Douglas Hurd, with Lord Whitelaw whispering encouraging mumbles in her ear. She, too, would probably pre-fer not to be saddled with the oppro-brium of killing it. That would be a body-blow to the credibility of Britain's Northern Ireland policy, and a smashing victory for the IRA. It is to be hoped that she does not one day lose her head and allow that to happen

LOMBARD The truth about tax cuts

By Michael Prowse

THE FACT that the share of tax contributed by top earners rose during the 1980s despite substantial cuts in top rates gave British anpply-side economics a huge psychological boost

Newspapers ran excited articles about "Laffer curves" - parabolas which show revenues first rising but eventually failing as tax rates are raised. Commentators wrote glowingly of the positive impact of tax cuts on work effort, enterprise,

risk aversion and so forth. History, however, surely casts doubt on all this euphoria. The world ecnnomy enjoyed its longest period of sustained prosperity in the three decades following the Second Wurld War. Yet tax rates in almost all countries were higher than ever before: much higher than in the 1920s and 1930s when growth was lacklustre.

In particular, penal taxes were imposed on the ricb almost everywhere, as part of the post-war commitment to build a more egalitarian society. Yet people worked hard, took risks, invested heavily and prospered.

It is thus absurd to argue that low marginal tax rates are a necessary condition for economic prosperity. Nor can they be a sufficient condition: most ocieties throughont buman history have been lightly taxed by 20th century standards yet most have experienced vir-

tually no growth. Taxation is just a small part of the complex web of eco-nomic, social, political and cultural factors which motivates individuals. Nothing that has happened in the 1980s lends credence to the extravagant counter-claims of the supply-

Take the rise in the propor-tionate share of taxation paid by higher earners. After an exhaustive analysis of all the factors that might influence this ratio, Mr Andrew Dilnot and Mr Michael Kell of the Institute for Fiscal Studies con-clude that it is "consistent with the existence of moderate incentive effects". Good news for supply-siders? Well, not really: Messrs Dilnot and Kell continue: "It is also consistent with other explanations which bave little or no connection

eral rise in real incomes will result in higher proportionate receipts from the better off because they will be pulled deeper into higher rate bands. The same will be true of any changes which result in a less equal distribution of income and wealth. For example, a rise in unem-ployment will reduce the earnings (and hence tax contributions) of low income groups,

What might these be? In the

first place, so long as a tax

system is progressive, any gen-

with incentive effects"

23

while a rise in corporate profit-ability will have the reverse effect on the rich. Both factors have played a role in the 1980s. Quantitatively far more important, however, is that real earnings at the top of the income pile have risen about six times as fast as those at the bottom

Ah, bnt this misses the point, say the supply-siders. The rise in the relative earnings of the rich is a direct con-sequence of greater enterprise and effort on their part. Really? There is no direct evi-dence that chief executives, for example, are working mucb harder than in the past; there is certainly no evidence that work effort or enterprise has kept pace with their soaring salaries and share bonuses.

It is surely at least as plausi-ble to argue that demand fac-tors (shortage of skills during an economic boom) and chang ing social norms (less embarrassment about inequality) lie behind the big pay incre awarded top earners. Note that the 1979 tax changes had relatively little effect on the tax paid by different income groups until 1985-1986, when the economic recovery was gaining momentum: this sug-gests that demand factors were dominant.

Supporters of lower taxes on the rich would be wise to stick to ethical arguments. What really motivates the supply-siders is a burning sense of injus-tice: why should the rich pay so much? Let's face it, if Mr Lawson had wanted to spend £2bn on anything other than higher rate reductions, be would have demanded far more convincing evidence of the ben-efits than is available in the controversial case of tax cuts,

LETTERS

that could turn out to be harmful.

Martin on the charter



ZEE

10-

· · · ·

mat N T

A.C.

And a start

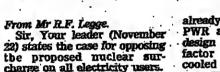
Cast Start -

and seen ?

10 73

ANCS

SHI



Nuclear alternative

charge on all electricity users. One vital question yet to be answered by Government is why it has not insisted that any new Central-Electricity Generating Board (CEGB) nuclear building programme is based on pressurised water reactors (PWRs) of the same design as those constructed in France, under licence from Framatome. (Over 40 PWRs have been built in France in 15 years, average building time about 4 years, and have been operated safely to give very

competitively priced power.) Instead, the Government is allowing CEGB (later National Power) to magnify existing problems by constructing a series of PWRs of a design not exactly replicated elsewbere, with an expected building time of seven years for Sizewell B and with further modifications

already in mind for the second PWR at Hinckley. Frequent design changes were a main factor in the advanced gascooled reactor plant flascos now endured at Dungeness B and elsewhere.

ann ensewhere. CEGB is launching itself – and us – again into the unknown, secure in the know-ledge that it is to be sheltered from competition and insulated from economic reality by a guaranteed nnclear market share of sales to area supply companies, and a nuclear levy

companies, and a nuclear levy to cover any excess costs. It is an extraordinary policy. It could easily lead to acrious electricity supply and cost problems, and even damage irretrievably the cause of nuclear power in Britain. It should be resolutely nuposed should be resolutely npposed during the passage of the pri-vatisation bill through Parliament. R.F. Legge, 87 Penshurst Gardens,

Edgeoure, Middleser,

The greener the better

From Mr Jon Parker.

Sir, It is interesting that the UK Government now sees the water privatisation bill not only as an opportunity to increase economic efficiency, bnt also one where environ-mental quality can be improved. The Government would do well to learn from public concern about care for the environment, and sell the electricity privatisation bill in

the same way. Electricity privatisation could reap environmental divi-dends. Privats companies

would prefer to invest in small-scale electricity genera-tion from gas or renewable tion from gas or renewable energy, rather than make risky investments in large coal or nuclear power plants. Energy demand management, as opposed to investing in nsw sources of supply; is more pop-ular with many private US util-ities for least cost energy planities for least-cost energy plan-

inconsistent approach by the Government as to who pays for environmental improvem With water, it is clear that the consumer will have to pay. With electricity, the private companies will have to pay for clearing up sulphur emissions (FT, November 24).

However, the consumer will have to pay for nuclear power - now also being seen by some as justifiable on environmental grounds as well as for diversification.

The Government could easily insert a couple of clauses into the electricity privatisation bill requiring the electricity supply companies to con-sider environmental costs and least-cost energy planning when making investment decisions

After all, two "green bills" are better than one. Jon Parker, Management Studies Group,

Department of Engineering, University of Cambridge. There appears in be an

UN conference aims to hit drug traffickers where it hurts

From Ms Margaret Ansize. Sir, Robert Graham's reports on "The Cocaine Business" on November 28 are timely, and

November 25 are unley, this his analyses very pertinent. They are especially so in view of the troubling escala-tion of the problem; the strong role of market forces; the complex problem of controlling demand; the relationship with external debt; and the under-mining of societies and institu-tions. (Though the rather cavalier comment that, in Bolivia, corruption has merely shifted from the military to the politician is surely unfair; it takes no account of the Herculean efforts of a democratic government, in sore economic straits, to control the problem, includ-

ing the recent adoption of a comprehensive new law.) I am surprised, however, that while some reference is made - in the context of bringing traffickers to justice - to the need for closer co-operation and co-ordination between governments, there is no allusion to the important measures being taken in this direction tbrough the United

Nations, and the considerable progress recently achieved. The first international con-

Vienna last year at the initia-tive of the Secretary-General and attended by cabinet minia-ters and other high-level repre-sentatives from 138 member Vienna. If successful; it will demonstrate governments' detsrmination to translats these principles into action. This is the United Nations conference for the adoption of states, marked a considerable breaktbrough.

a convention against illicit traffic in narcotic drugs and An international political consensus was reached on two psychotropic snbstances, which began on November 25. key points: First, that the drugs problem

This new convention aims to close the loopholes in existing international legal instruis of a gravity and extension that transcend national fronments, and to hit the drug traftiers, and require a greatly increased level of international commitment and cooperation, fickers where it hurts them most: in their pockets and in their liberty of movement. which can only be achieved The conference, which is pre-

through the United Nations. sided over by Mr Guillermo Second, that there can be no Bedregal Gutierrez, the foreign minister of Bolivia, is contem-plating far-reaching measures arbitrary apportionment of blame among countries, but rather a common determinaon such critical questions as tion to shoulder a shared extradition; criminal jurisdicresponsibility, and attack simultaneously all aspects of tion; conspiracy and money laundering schemes; bank the drugs scourge: supply, secrecy; strengthening and demand, trafficking and the harmonisation of criminal prevention and treatment of sanctions; and the confiscation

of proceeds derived from drug-These principles are related offences. enshrined in a declaration and. In short it addresses many of in a detailed guide for action at the problems raised by your all levels; both of these adopted reports. If a strong convention is signed by the end of the con-Your reports coincide with ference on December 20, and another ministerial level meet- quickly ratified thereafter by a ing now taking place under large number of member United Nations auspices in states, we may hope to enter a

phase in which it will no longer be the case that, to quote from Mr Graham, "the odds are in favour of the drug barons".

Thus, if successful, the cur-rent conference in Vienna could be a landmark, and it is important that the public at large should know what is hap-pening.

We are unfortunately accus tomed to the fact that dra-matic, even lurid news is more likely to catch the headline than the quietly dogged efforts behind the schemes to reach international agreements th counter common problems of humanity. I have been trying (so far with only modest success) to interest the media in this event.

I hope very much that, in view of the interest in the drugs problem evinced in your articles, the Financial Times A-1400 Vienna Austria

Founding a new name in banking

From the financial strengths and banking traditions of Dubai a new name in banking has concreed.

Called Emirates Bank International Limited, it provides an innovative approach to banking in the Gulf and other inter-national markets.

Formerly known as Union Bank of the Middle East, Emirates Bank International Limited is a bank that has been founded on a sound financial base.

A modern bank that's solid, dynamic and forward thinking.

A bank that looks to the future with confidence in its continued growth.

Carl Anna Anna Anna

A bank that can be trusted to give objective advice combined with sound financial judgement.

Above all Emirates Bank International Limited is a bank that really cares about its customers at all levels. Our branches handle all types of banking transactions from personal accounts to financing major multi-national projects.

For all your banking needs in the United Arab Emirates, Pakistan or Sri Lanka, talk to the people who care.

سخيك الإمارات الصوابي المحدود Emirates Bank International Limited

Head Office: Beniyas Road, P.O. Box 2923, Dubni, United Arab Emirates. Tel: 281181, Te: 47160 EBIHO EM, Cable: EMARATBANK. Branches in the United Arab Emirates, Pakistan and Sci Lanka. Subsidiary in Honghong.

unanimously. ference on drug abuse and illicit trafficking, held here in

addiction.

will follow the debates closely and give our attempted solutions equal prominence. Margaret J. Anstee, Director General, United Nations Office at Vienna, and Co-ordinator of all UN drug control-related activities, Vienna International Centre, PO Box 500,

24 **Φ**



FINANCIAL TIMES Friday December 2 1988



Team of technocrats for Mexican Cabinet

Richard Johns examines a reassuring line-up of postgraduates from US institutions

HE Cabinet appointed by yesterday's newly inangurated President Carlos Salinas de Gortari antic-

Carlos Saimas de Gortari antic-ipates strict adherence to the policies of economic austerity pursued by the Mexican Gov-ernment over the past year. His economic team of bril-liant young technocrats should be seen as one well calculated to reassure local business, for-eign investors and the interna-tional banking community that tional banking community that the new Government will con-tinue the painful fight to con-trol inflation and maintain the

peso's parity against the dollar – whatever the political and social cost – as the fundamen-tal prerequisite for renewed growth and bope for the future

after six years of stagnation. A tight group bristling with post-graduate qualifications from prestigious US institu-tions, they all worked together in evolving policy under the outgoing President Miguel de la Madrid and share the same commitment to the country's stabilisation and restructuring programme. This will ensure smooth pol-

icy transition, unprecedented during the 60 years of the rul-ing Institutional Revolutionary Party's tenure of power. The 40-year-old head of state

has also taken the major decision - yet to be formally announced - to reorganise and streamline the economic management of the country under the umbrella of the Treasury headed by Mr Pedro Aspe.

The Treasury lost such con-trol in 1976 when President Jose Lopez Portillo established the Ministry of Planning and the Budget.

Throughout the past 12 years there has been a lively debate over whether the control of income and spending should have been divided.

The separation has led to rivalries and friction in the ast, most notably between Mr Salinas (when he was Minister of Planning and the Budget) and Mr Jesus Silva Herzog, who resigned from the Trea-sury in 1986 because of a dispute with President de la Madrid over foreign debt policy.

Having been his undersecretary, Mr Aspe, 38, who received a doctorate at Massachusetts



Cuba's President Fidel Castro (left) had a warm greeting for President Daniel Ortega of Nicaragua in Mexico City.

Opposition walk out of Salinas inauguration By Richard Johns in Mexico City

THE inauguration of Mr Carlos Salinas de Gortari as President of Mexico yesterday the "profound moral renova-tion" carried out by his prede-cessor Mr de la Madrid who was marred by the unpre-cented withdrawal of the entire parliamentary opposi-tion in protest against elec-

tion in protest against elec-toral malpractices by the rul-ing Institutional Revolutionary Party. Most of the protesting dele-gates left before Mr Salinas entered the vast Congress hall to don the red, white and green sash which he will wear for the next six years. pared with the surging exit by members of the broad left National Democratic Front (FDN) during the state of the union message of Mr de la Madrid on September 1. It was nevertheless a grave

for the next six years. Taking the oath of office in Congress, Mr Salinas said he would order his new finance minister, Mr Pedro Aspe, to begin immediate negotiations with Mexico's creditors to

It was nevertheless a grave embarrassment in front of eight Latin American heads of state including Dr Fidel Castro of Cuba and a host of other dignatories among them Mr George Shultz, US Secretary of State State

The FDN delegates, number-ing 146 out of the 500 mem-bers of the Chamber of Depureduce the burden of its \$100bn dollar debt and thereby restore growth. ties, were the first to leave.

Institute of Technology, suc-ceeded the new President as chosen as heir apparent to the presidency. Minister of Planning and the In this capacity he took the main credit for formulating the Budget when Mr Salinas was

economic solidarity pact intro-duced last December which has been successful in bringing down inflation from a rate of 189 per cent in 1967 to 47 per cent to the end of October.

Mr Ernesto Zedilla Ponce de Leon (with a Yale PhD) takes over what will become strictly a Ministry of Planning. He is a quintessential tech-

He is a quintessential tech-nocrat, apparently without high political ambitions, who worked out the Fircorca scheme at the Bank of Merico to help companies cover their foreign exchange risks. In a political appointment, and probably one of limited duration, Mr Jaime Serra Puch (also with a Yale doctorate)

(also with a Yale doctorate) has been given the Ministry of Commerce and Development (Secofi), a labyrinthine and enormous bureaucracy which has often been at odds with the Bank of Mexico and the Treasury.

A large-scale rationalisation is indicated here although it is unlikely to be announced before legislation is introduced

to make the changes. Mr Salinas is said to be plan-ning to reduce Secofi to a straight trade department while establishing a new Minis-try of Economic Development which would assume responsiinvestment

had passed on the tricolour banda presidencial. The protest was quiet compointment of Mr Fernando Hir-iart, a respected civil engineer in his late seventies, as Minister of Energy, Mines and Paras-tatal Industries.

> of the most significant appoint-ments is that of Mr Jose Cor-doba, Mr Salinas's special adviser since he became heir apparent, as Technical Secre-tary to the Cabinet. Having been born in France

(of Spanish immigrant par-ents), he was disqualified from a ministerial post which almost undoubtedly he would have otherwise obtained.

He is expected to have a key role in international economic relations and Mexico's drive to obtain relief on its debt servic-

general of Banamer, who was

tipped for the Treasury among other positions, becomes Minis-ter for External Affairs. He is believed to have pronounced

pro-US sympathies. The surprise appointment is that of Mr Manuel Camacho - a key Salinas political adviser who only in September was given the post of sec-retary-general of the PRI following its electoral reverses in July - as mayor of the federal district, a Cabinet post.

Success in dealing with the mounting and downing prob-lems of Mexico City, where a fifth of the country's Son popu-lation lives and where the vote in July went decisively against the PRI, could make him a contender for the presidency in 1994. He was considered a con-tender for the Interior Minis-

The choice for this critical post is causing most concern to the left-leaning National Demo-

the left-leaning National Demo-cratic Front (FDN) coalition. The tough Mr Fernando Gotierrez Barrios, an army offi-cer by training, for 20 years was effective chief of political police. As the last governor of Veracruz, he ensured by time-honoured methods that the PRI won a resounding victory in the state in the July general election and the October municipal polls. This appointment must have

raised severe doubts about Mr Salinas's commitment to greater democracy and cleaner elections.

Another surprise was the re-emergence of Mr Manuel Bar-tlett, his predecessor, as Minister of Education and one of the three frontrunners for the PRI's presidential ticket this vear

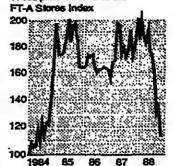
His election is attributed partly to the settlement of a debt: Mr Bartlett and President Salinas are believed to have collided in blocking the hid of Alfredo del Mazo, third of the trio in the contest, and reciprocally to have undertaken to

recompense the loser. Another reason for the choice would have been to have a strong politician to con-front the troublesome teachers' union and deal with discontent on university campuses

Editorial comment, Page 22

The elusive price of power

Next Share price relative to the



in principle over selling what are still some of the best food brands around. Even at the local UK level, it would be sur-prising if such as Allied Lyons were not interested in buying the old Huntley & Palmer bis-cuit business. The problem is rather on the other side; the be all but impossible for the new constituent companies, with their new rules, new pricing structures, and brand new competitive threat from outsidlower the price reached for the food business, the higher the implied multiple needed for ers. This may matter less for the relatively simple distribu-tion companies. Here the chief problem will be the logistical one of finding a way of selling acco if KKR is to contrive a profitable exit. It all might work, but it leaves precious lit-tle room for accidents.

Next

detail. But for the generating companies, the problem is acute; and even when the big Once retailers start to disappoint, they find it hard to kick the habit, but yesterday's shocker from Next has an air decisions have been taken on balance sheets, and on the diviof finality about it. Likely profsion of the nuclear burden between consumer, taxpayer its of £70m this year and £80m next may be a fraction of fore-casts just a year ago, but the figures are not likely to suffer and shareholder, calculations of value may be not much bet-ter than the present "childish fantasies" of which Mr Parkinngures are not inkely to suffer further Harris Queensway-style shrinkage. While Next may have been honest about the extent of the profit decline, it is hard to believe that the timing of its disposals and the postal strike are the main cul-trite. In fact exercising course With the battle for RJR Nabisco over - barring a last minute hostile counterbid -KKR and its backers are faced prits. In fact everything seems to have been disappointing, as if the company is finally hav-ing to pay the bill for Mr Davies legendary dash and with the rather unnerving question of what to do next. Taking the assorted junk at

Where others in these straits have been taken over, Next may well escape, and not just becanse it has sensibly strengthened its balance sheet and is now looking to its costs. Fellow retailers have enough

soft drink bottling operations to Pepsico says o lot more about its attitude towards enhancing shareholder value than it does about its inten-tione towards. Cadbury tions towards Cadbury Schweppes. Despito its name, General Cinema is in the busi-ness of buying and selling assets, and the sharp drop in Pepsico's share price yesterday itestifies to the shrewd bargain that has been struck. A price tag of \$1.5bn, or more than twice annual revenues, for a business whose earnings have been marking time for several

1.1.1.1-2

.

2 in

والمتحدث والمتعارية

* 5

F - 25

12 A.M.

5 210 1

years is no mean feat. The bull case for Cadbury Schweppes is that the sale of over half of General Cinema's business means that it is in o far better position to mount a bid for a company more than twice its size. In addition, severing its ties with Pepsico elim-inates any potential conflicts of interest which might arise as a result of Cadbury's ties with Coca-Cola. However, all of this is probably far too straightfor-ward for General Cinema: and, given that it has already dou-bled its money on its Cadbury stake, it is probably not in any hurry to make a move.

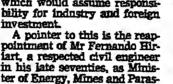
BPB

If BPB really can engineer the kind of soft landing for plasterboard prices which it is now predicting, it is rather a shame for the rest of us that it did not do so sooner. In the world according to BPB, European plasterboard prices and costs of production will decline like two parallel tramlines to the middle of the next decade, with the gap between them maintained by £200m spent on upgrading BPB plant. All the market will have to deliver is the volume to keep absolute

profits on the move. By the end of the decade, both Redland and Knauf will be doing their worst to make sure that more UK volume des-erts their monopolist rival. But if BPB does manage to cut costs by a quarter, as it claims is possible, then it is not too hard to predict which company will make more money in the end. Losing its monopoly will probably cost BPB its record of 20 per cent profits growth per annum, with the increase slowing to perhaps 10 per cent annually for the next few years. BPB shares landed with a dull thud as a result, on a p/e ratio at 223p which bears a striking resemblance to the pro-spective yield of about 6.5 per cent, and it is difficult to see why they need be chastised any further.

Warburg drops S African gold stocks **Benazir Bhutto** named as

Mr Salinas also referred to



On the economic front, one

ing burden. Mr Fernando Solanda, lat-terly a very successful director

The business of privatising utilities is not the walkover it once was. After having handed

once was. After having handed the monopoly profits of British Gas and British Telecom to the shareholder only to whisk them away later, the Govern-ment is doing its utmost to get electricity right first time. The cost, revealed in yesterday's labyrinthine legislation, is a complet regulatory system complex regulatory system that is not going to endear electricity to potential investors. The consumer may be bet-ter protected, but shareholders could be left with an investcould be left with an invest-ment whose value depends only partly on the efficiency of the company itself. Meanwhile, the proposed structure for the industry may test the wits of sophisticated investors, and will utterly flummox Sid. whose support is essential. Profit forecasts will be all but impossible for the

houses, yesterday gave up making a market in South Afri-can gold mining stocks.

The company said the move was made purely for commer-cial reasons because activity in these equities had fallen to a very low level.

However, analysts at other stockhrokers pointed out that activity had dried up because of growing anti-South African sentiment.

"The sector has been hit by the political hassle factor. Fund managers who would like to invest in South African gold

Perestroika at critical stage Continued from Page 1

market principles - only the first was being tackled. "I think that the restructur-

ing of the economy is now at a critical stage. It has run into obstacles which make it necessary to make corrections to the original plan and aims. We must forego the view....that everything could be accomplished in a year. The only way we will achieve success is in years and decades," Prof. Abalkin said.

"We had hoped that it would be simple and we could solve everything in a short time. Public opinion expected mira-cles – after all, people do love miracles."

miracles." The conference, held by the Scientific Academies of the US and the USSR, is expected to be followed by further exchanges. Already, the two sides are engaged on joint

Algiers Angiers Amsterd Athens Balucolor Benut Bellarit Belgradi Bertin Biarritz Bornbert Bor

WARBURG Securities, one of mining shares for their yields London's major securities or for historic reasons cannot face the bother of arguing about the issue with their trustees," said Mr Andrew Quinn, senior analyst and salesman with James Capel's

mining team in London. "There is hardly any busi-ness. The holders of these shares are in for the long term, the sellers are out already. There are not many buyers in London although there are still one or two big players in the US and on the Continent of Burope," he added.

Warburg has never previ-ously stopped making a market

in particular stocks since it Newcourt whose chief execu-tive, Mr Michael Marks, said was formed in October 1986 from a merger of stockbroker Bowe and Pitman and Akroyd last night: "We have been mak-ing a market in South African stocks for 50 years and we & Smithers, the jobbing firm. It said yesterday that one market maker would be leavdon't intend to stop now. Three times in our history we have been left alone in South Afriing as a result of the change but other employees affected would be redeployed. Warburg stressed that it remained heavily committed to can equities but others came back when interest was even-tually revived."

the mining sector generally and would continue to provide Among the organisations who continue to make a marresearch on South African gold stocks and continue to deal for ket in South African gold shares, albeit only in a small way, are Credit Suisse, Merrill clients.

Lynch and Shearson Lehman Hutton. The remaining major market maker in the equities is Smith

country.

porters.

Prime Minister Continued from Page 1

ing an agreement with the Mohajir Quami Movement, a small regionally based party representing Indian immi-grants which won 13 seats in

the elections. On Wednesday Ms Bhutto's main rival, Mr Nawaz Sharif, gave up the fight to form a coalition when he surrendered his National Assembly seat to concentrate on forming a pro-vincial government in Punjab, where his party grouping, the Islamic Democratic Alliance

(IDA), has a majority. In his broadcast to the nation, the acting President called Ms Bhutto the "choice of

the nation," describing her as "young, well educated and broad-minded." To mark the occasion the President announced the lifting of the emergency which had been in place since the death of Presi-

dent Zia. To mark the occasion he announced the lifting of the emergency which had been imposed after the death of Ms Bhutto did not watch the broadcast because she was meeting with the Foreign Sec-retary and Defence Minister. Outside the state guesthouse, however, the streets of Rawal-pindi erupted into a huge roar of "Prime Minister Benazir" and "Long Live Pakistan's Peo-

democracy and greater trans-parency in the system went far beyond what most depoties ple's Party" as fireworks exploded in the night air. As the first woman leader of

a Moslem state, Ms Bhutto is likely to find her position chalhenged by religious members of the opposition who claim that, according to the Koran, a woman cannot head the state. The IDA, however, is unlikely

to pot up a serious fight because it is in disarray and has yet to find a parliamentary leader.

plan still is to keep the tobacco business and sell off the food assets, KKR will presumably be checking with the industrial members of the abortive Forstmann Little consortium to see if they are still interested in buying piecemeal what they

face value, RJR is being bought

at around 19 times this year's earnings, or twelve times free cash flow. The latter figure suggests that with US prime at 10.5 per cent and probably ris-ing, KKR cannot afford to hang around Assuming that the

Assuming that th

all twelve companies that will

allow private investors to buy shares in the local company,

and will not drown the City in

son is so contemptuous.

RJR Nabisco

taking on more; and to extrapolate from the price paid for Freemans earlier this year is to forget how much sicker the industry has become since General Cinema

OUR MIND IS ALWAYS OPEN TO NEW IDEAS.

We believe that to solve the most intricate and difficult financial problems you've got to have a generous dash of inventiveness, flair and flexibility. This is a quality our clients both at home and abroad clearly appreciate. Possibly one reason why we rank so high in the German banking world today. Norddeutsche Landesbank is one of the 10 largest banks in West Germany and one of the top hundred in the world. It is a public

sectors of the domestic and international banking field. Our total group assets in 1987 came to 101.5 billion DM. With our branch in London and the subsidiary in Luxembourg we have two operating bases that enable us to look after business interests right on the spot.

iORD/LB icorgsplatz 1 >3000 Hannover I hone 5 11/103-0 itex 9 216-20	NORD/LB London Branch 20, Iroamonger Lane London EC 2V SEY Phone 01/4001721 Telex 834 882	NORD/LB Lusembourg S. A. 26. Route d'Arton L-1140 Lusembourg Phone 452211-1 Telex 2485
--	--	---



· ·- ·

Continued from Page 1

communist Party central com-mittee plenum next year. He said this would draft the next phase of constitutional reforms, to be approved by the next assemblies.

next assembles. Crucial amendments agreed before the final vote include a restriction on the power of the new national assemblies to declare martial law in any area: in future it can only be done in computation with the republics.

study of nuclear power station safety, of the use of robotics in microsurgery, and advanced microsurgery.

WORLD WEATHER

lics, restricting the powers of the Congress, the Supreme Soviet itself, and providing more controls on the executive

presidency. He promised a far-reaching debate on the whole question of federal relations within the USSR, and a redefinition of

done in consultation with the

97 98 Filedes 41 File de Jo 30 Fierre 4 60 Satzburg 20 80 Satzburg 27 80 Sacal 27 80 Sacal

18 06 C-Cloudy D-Datasto F-Fair For For Hint A-Rain 18 06 C-Cloudy D-Datasto F-Fair For For Hint A-Rain 18 06 C-Cloudy D-Dataste T-Thinday

. ____.

Another prevents the Supreme Soviet from laying down strict guidelines for republican economic plans, and from deciding on the legal-

tutional reforms, and determi-nation to get on with the new elections, persuaded him to

beyond what most depoties appeared to recognise. Mr Gorbachev himself admit-ted that many questions arose because the party leadership had failed to explain their intentions adequately. "The centre was following the old practice of declaring: they will get used to it," he said. In an unscripted insert in his speech, evidently aimed at the new nationalist movements, he override obvious doubts about the new system even within the ranks of his closest sup-A key consideration appears

A key consideration appears in an unscripted insert in his to have been his desire for the greatest possible upheaval in new nationalist movements, he the membership of a body confessed. "We have to get rid which over the past three days has shown that few of its mem-

UK steel sell-off attracts 400,000

TSB

British Gas

1

Continued from Page 1

market. Yesterday 200,000 applications were received. doubling the previous total. According to Samuel Montagu, the merchant bank advis-ing the Government, the 265,000 applications which had so far been processed were for a total of 335m shares, or the equivalent of £418m fully paid. There were 110,000 public applications still to be processed and 25,000 applications from British Steel's employees A bumper bundle of applica-tions today might trigger the

BAA British Telecom Rolla Royce 2m British Airways 1.1m 0.27m Eurotunnel 0.11m clawback element of the offer,

under which shares from the overseas offer are reallocated to satisfy UK demand. Without

the clawback, 23 per cent of the issue is set for the UK public, 44 per cent for UK institutions APPLICATIONS FOR PRIVATISATIONS AND BIG PUBLIC OFFERS and 33 per cent for overseas. • The UK Government is prepared to contribute between £1bn and £2.5bn (\$1.85bn and 4.4m 2.47m

levy.

UK news, Page 9

\$3.4bn) to cover unforeseen costs of decomissioning nuclear stations and handling nuclear waste after the elec-tricity industry is privatised. This will be in addition to the investigation of all distingtions the imposition on all electricity consumers of a "non-fossil"

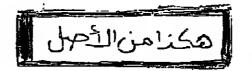
law credit institution owned by the Federal State of Lower Saxony and the Lower Saxo-

nian Savings Banks. These owners guarantee all liabilities of the bank on a joint and several basis. Norddeutsche Landesbank is a world-wide bank participating fully in all

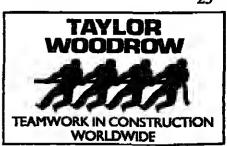
jibbed at owning in a lump. There should be no problem The sale of General Cinema's



the outlying republics. A hand-ful of speakers warned that public demands for greater



FINANCIAL TIMES COMPANIES & MARKETS



INSIDE

& PRESS IONS

LIBRING LONG

at bottling operated theo says a lot on its attitude to the ing shareholder the towards Cadba Pes. Despite is Cadbin Cinema is in the bo Uning and sting and the sharp dry Schere price Provi 6 share price rest 6 share price rest 1 to the shread back 15 been struck A av \$1.5bz. cr core innual reveaues s whose earnings in marking time for sta Build case for said build case for Cade public case for Cade all of General Chad be means that it be ter position to mean a company news a company more to is size. In addition a is the with Pepsici of any potential contact which might are a of Cadbury's test for General Cinema to that it has already it to money on its Cat. to make a move

JPB really can then ind of soit landing riboard prices which predicting, it is at o for the rest of using tor do so soozer E plasterbourd prostwo paralle, tranks the man termers damed by 22000 se ading 595 pint M efet of size UEW THE WOLDEN :D ZOOD ELE to op the nove Redlam and Stat; totes their worst and Sha note C. Warm their measpeir mus WB does manage a to previot a trabers make more more; LONGLE IN FLOORE hably cost 175 th mo Ser Leni Li Als mit that, with the series

to perials 1) Mr. mails for the search fs. HFS surve later all that as a media: נו הנאל מבוב א קאבי להימ Trans 1 ctive yret. / sheat &



Building afresh at

matic transformation. It has shed most of the

costly resource assets which tamished its rep-utation among investors. Meanwhila, it has

expanded at home and abroad, mostly in build-ing materials, now the group's principal line of business. Chris Sherwell reports Page 25

The world's power station equipment makers are in the throes of one of the most compre-hensive restructurings undertaken by a single industry. Ever since Asea of Sweden and Brown Boveri of Switzerland merged last year,

there has been a rash of takeovers and joint ventures in the sector, creating a web of Euro-pean businesses, with tentacles stretching to US equipment makers. Page 27

The dangers of drought and erratic global harvests

atmosphere - could lead to major shifts in

vests and food shortages, according to two reports published this week. And one report

warns of a possibla US drought again next year which could dwarf the effects of tha 1970s

The biggest single factor bringing the EC's

farm support spending undar control this year

- the US drought - was outsida its control, Neverthaless, tha EC insists its reforms of the common agricultural policy have been suc-

cessful. Bridget Bloom, concluding our series

on efforts to curb agricultural costs, finds the jury is still out on whether or not long term

Tate & Lyle's sweeter profits

Baxter looks across the Atlantic

Baxter International, which has emerged from

five turbulent years in the US healthcare indus-

try as the country's major hospital supplier, is

Reforming EC agriculture

objectives will be achieved. Page 40

oil price hike. Page 40

patterns of agricultural production, arratic har-

-

In less than two years, CSR, one of Australia'a largest

companies, has

undergone a dra-

Global warming caused by the

build-up of carbon

dloxide and other

Mr Neil Shaw (left) chairman of Tate & Lyle,

a 31 per cent rise in

the UK sugar manufac-turer yesterday reported

full-year pre-tax profits, thanks to higher contri-

butions from cereal

starches, the result of acquisitions. The origi-

nal parts of Tate raised

profits by more than 10 per cent. Page 32

sweeteners and

gases in tha world's

Australia's CSR

Electrifying changes for

power equipment makers

Friday December 2 1988

Upside down end to the greatest auction ever

James Buchan on the battle for RJR Nabisco

THIS WAS the ultimate Wall ding on November 20.

Street drama. For its last 24 hours, the battle for RJR Nabisco by First Boston, was valued ten-tatively valued at between \$103 had almost everything: rage, greed, guys in braces staying np and \$115 but was taken ont of the late in mid-town offices, debt, running before Wednesday's densoft drinks and lawyers. What it ouement as too tentative.

did not have was more hard cash for the owners of RJR Nabisco. Yesterday morning, after a night and a day of ferocious bid-ding between Wall Street's rich-est investment firms, RJR stock was actually down, by \$% at

The winning bid, which was put in by Kohlberg Kravis Rob-erts, a New York partnership spe-cialising in debt-financed take-overs, was valued by RJR at \$109 a share or \$25bn. This was much Johnson. higher than the original bid of about \$75 a share, proposed by RJR's management under Mr

Ross Johnson, the company's chief executive, when history's greatest corporate auction began greatest corporate auction began on October 20. But the Kohlberg Kravis bid,

\$92%

crowned the winner by an inde-pendent committee of RJR's directors late on Wednesday night, consists of only \$81 or \$18.4bn in cash This is less than the \$84 in cash that the Johnson group says it offered on Wednes day afternoon as part of a \$112 offer. And it is much less than the \$90 a share in cash that Mr

Johnson, backed by Shearson Lehman Hatton and Salomon Bros., said it could pay at the close of an earlier round of bid-

cash interest and are so low in Another offer, from a group led By any standards, it was an pside-down sort of auction.

As Wall Street worried at this puzzle yesterday morning, two ideas began to emerge. First, the bankers on both sides were will-ing to fight this auction to the death, but not with their own money. Second, RJR's non-exec-

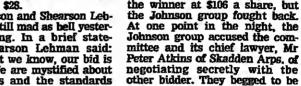
utive directors under Mr Charles Hugel, chairman, had reasons of their own not to give the com-pany to management and Mr The key to the financing of the anction is what is known hll-iously on Wall Street as "The Cramdown". Apart from its \$81 per share in cash, Kohlberg Kravis is giving RJR's owners \$18

and convertible stock are nothing hut inexpensive bridge loans in preferred stock and \$10 in a debenture eventually convertible nut inexpensive bridge loans from Wall Street's arbitrage com-munity - to bny out the arbitrage community. The Johnson group actually reduced its cash offer to shareholders, from \$90 to \$84, and increased its demand on them into RJR equity. The last offer by the Johnson group, which was finally presented to the special committee on Wednesday after-noon consisted of \$84 in cash, \$24 in preferred stock and \$4 in con-vertible securities. from \$10 to \$28.

The professional speculators or arbitrageurs who own much of RJR hate these "cramdown" pre-Mr Johnson and Shearson Leb-man were still mad as bell yester-day morning. In a brief stateferred and convertible securities. ment, Shearson Lehman said: The preferreds will most likely be junk bonds known as pay-in-kind or PIK Preferreds, which pay no "From what we know, our bid is the best. We are mystified about the process and the standards

priority in the event of bank-ruptcy that they are like shares that pay no dividends. "Nobody who gives you cramdown paper ever gives you cash payments" moaned one arb yesterday. The other securities will be converted into a minority stake in a private company after four years. For arbs, who prize liquidity before all things but capital gain, these are unattractive securities.

are unattractive securities. The bidding and counterhid-ding on Tuesday night and Wednesday at the special com-mittee's Third Avenne law firm, Skadden Arps. Slate Meagher & Flom, was less dramatic in hard financial terms than it sounds. The bidders already needed to borrow almost as much as the entire foreign debt of Chile to finance their first-round cash Victor Henry Kravis of KKR and RJR Nabisco's chairman Ross Johnson offers. To go higher, they had to borrow from RJR's existing shareholders. The junk bonds



that the board used to reach its decision." Mr Johnson was terser: "I am proud of the fact that we put the best bid on the table the first time and this time."

Certainly, the Hugel committee kept moving the goalposts. It called off the first auction on November 20 in order to allow in the First Boston offer. On Tues-day night, the committee was ready to declare Kohlberg Kravis the winner at \$106 a share, but the Johnson group fought back. At one point in the night, the Johnson group accused the com-mittee and its chief lawyer, Mr Peter Atkins of Skadden Arps. of negotiating secretly with the

By Maggie Urry in London

NEXT, for years one of the most successful of British retailers,

yesterday surprised the City of London when Mr George Davies,

the chairman of clothes group said that the company's profits for the year to end January 1989 would be "significantly lower

than last year". He also warned that investors

should only expect "modest growth" the year after.

their forecasts of pre-tax profits

eral once glamorous British retailers to fall from the City's grace against a background of much tongher general trading

CAME

allowed to present a higher offer. By mid-morning on Wednesday, a furious Mr Johnson was threat-ening to go public with a higher offer unless the committee admit-ted him to present it. This was

They hated the way he tried to steal the company at \$75. And KKR has a better record at doing these big transactions."

Winstor

Neither Mr Hugel nor other non-executive directors could be reached for comment vesterday morning.

It is still conceivable that the Johnson Group will sue or even launch a hostile tender offer for RJR. Said one aggrieved adviser on the losing side: "I imagine as the two bids are revealed and get out in the market, the general reaction will be that ours was better. We're examining our options. Nothing is out of the question at the moment."

his privileged position to buy the company at \$75 "on the cheap". An arbitrageur said: "They hated the way he did the whole thing.

Next chief gives warning of

'significant' drop in profits

setback

\$112 a share. The non-executive directors

said yesterday that the two offers were "substantially equivalent". Bankers and arbs were prodigal with theories as to why the spe-cial committee favoured kohlberg kravis. Some said that the non-executives resented Mr Johnson using

General Cinema hopes to sell its bottler to PepsiCo

By Lisa Wood

its bottlers.

GENERAL Cinema, the US group, announced yesterday that it planned to sell its US soft drinks bottling business to PepsiCo, the second largest drinks group in the world, for \$1.5bn (£810m).

The anouncement gave fresh life to City speculation that the cinema group might make a takeover bid for Cadbury Schweppes, the UK soft drinks and confectionery group in which it holds a 18.4 per cent

stake. **General Cinema Beverages is** the second largest independent bottler of Pepsi-Cola drinks in the US, and its acquisition fits into PepsiCo's strategy of acquiring

General Cinema declined to

sell the drinks operation. Recently it said it was interested in selling the business." The purchase price will be paid

in 20-year interest bearing notes which will bring tax advantages. The deal is dependent on Government approvals and on completion by the end of the year. Mr Richard Smith, chairman

and chief executive of General Cinema said: "We are taking advantage of an excellent opportunity to enhance shareholder value." Mr Smith said the transaction would result in a pre-tax gain of approximately \$1.2bn for

financial reporting purposes. PepsiCo, which last year bought Grand Metropolitan's US

Five years ago PepsiCo owned 22 per cent of its bottlers. Acquisition of General Cinema bottlers will take this up 48 per cent. The acquisition will bring some dilution in earnings per

share next year. General Cinema, which expects to report operating profits of about \$165m for the year to last October, including \$93m from the drinks division, started building its stake in Cadbury nearly two

Next's shares fell 20p to close at 136p as analysts swiftly cut years ago. This year it announced that it this year to around £70m (\$130m), against £92.4m achieved in 1987/ should not be regarded as a passive investor. The gronp, which is about one third of the size of Cadbury, is highly geared. General Cinema will face three

big stumbling blocks should it

wish to bid for Cadbury. Those are the UK gronp's improved performance, the expectation that General Cinema

For 1989/90 analysts are now forecasting £80m. Mr Davies is the latest of sev-

conditions.

the J. Hepworth clothing chain into an innovative, design-conscious retailer with interests spanning men's and womenswear, jewellery, furniture and mail order. An unnsnally subdued Mr

Davies – who has presided over several years of strong profits growtb – yesterday blamed three special problems for the had already been taken into account by the stockmarket. Next's shares fell nearly 10 per cent on the day interim results were announced in late September

setback. First, the sale of some of the businesses acquired in June as part of the acquisition of Com-bined English Stores, notably Zales and Salisburys, just before the Christmas profit peak. This would cut 17m to 18m off pre-tax wordite However, behind all the specific difficulties is the poor trad-ing background for fashion retailers generally. Clothing sales have been dull all summer and "trading in October and November has profits. become far worse," Mr Davies Secondly, the effect of the said. postal strike on the home shopping business would depress prof-its by £12m. Recruitment of new customers also suffered, which would also mean lost sales in the Under his leadership, Next future. emerged from dowdy origins as Thir Thirdly, Mr Davies said the

interest charge would be higher, in part because of a provision being made for a put option on convertible bonds which allowed investors to demand repayment at a premium. To some extent these problems

TE BFS . Low Low	try as the country's	i maj	or hospital supplier, is overseas division in
off thank as a moult 2:	The target countrie	s –	Japan, West Germany,
a at this which terms	France, tha UK and	i Car	iada. Page 26
address among a story of a bear of			
R. BR. S. C. S. C. S.	Market Statistic	-5	
a they need be clin	Base lending rates	.48	London share service 48-47
i further.	Benchmark Govt bonds	30	London traded options 30
	European options exch FT-A indices	48	London tradit: options 39 Money markets 48
	FT-A world indices	48	New int, bond issues 24
	FT int bond service Financial lutures	28	World commodity prices 38 World stock mkt Indices 48
	Foreign exchanges	48	UK dividends announced 32
	London recent issues	30	Unit trusts 42-45
	Companies in th	nis s	ection
		_	Hong Kong Telecom 26
	Anglesey Mining Apollo Metals	34	181 28
A L	Asea Brown Boveri Avdel	27	Iceland Frozen Foods 33 Jacadi 26
1 2	BHF-Bank	27	Jefferson Smurfit 32
\sim	BPB Industries Babcock & Wilcox	32	Kelt Energy 32 Litton Industries 26
	Baker Harris	33	Lowndes Queensway 32
	Banner Industries Baxyer Int	32	Lyonnaise des Eaux 32 MEPC 34
	Bejam	33	Metro Radio Group 34
	Brown and Jackson CSR	28	Millward Brown 33 Monks & Crane 34
	Cable and Wireless	28	News International 33
	Canadian imperial	26 32	Northumbrian Water \$2
	Carroll, PJ	33	RTZ Corporation 33 Ritz Design Group 34
	Castings Charterhali	32	Royal Bank Scotland 33
And the second second	Corah Cundell Group	32	SCECorp 26 San Diago Gas 25
	Erskine House	34	Sidlaw Group 34
	Eulabank Europa Minerals	26	Staveley Chemicals 33 Storehouse 26
	Evans Halshaw	34	Tate & Lyle 32
	Evode Ferranti Inti Signal	34	United Industries 34
	Framatome	27	Volmac 27 William Collins 33
and the second	Haden MacLellan Hitachi	28	Williams Hidgs 33
the second second second	Holly Farms	26	Woolworths 2
	Chief price c	hai	nges yesterday
	PRANKFURT (DID)		PARIS (FP)
in the second	Kauthof 363 +	4	Canal Plas 576 + 28 Fransis Bal 1540 + 49
	Man 226 + Manasanan 193.1 +	32	Sogenal 118.5 + 8.5
And the second s	Cont'l Gammi	2.9	Faile Esto France 284 13
	Listhansa 144 -	2	Localizance 419 - 13.5 Pechalbroan 1068 - 27
EW IDEAS	NEW YOEK (\$)		TOICYO (Yes)
	Sen. Cinema 233: +	12	Rises Japan Ballery 839 + 100 Maii Lesther 1220 + 130
فتشبيه والمستحد المحاد	Niemann Marcus: 1614 +	112	Neiji Lastiner 1220 + 130 Nichisa 2500 + 260
	AT & T 2912 -	4	Palls Fall.Danid 3950 - 250
	Pepsico 38 %	3.	Talo 2100 - 180
Theo L	San Diego Gas 391s -	Ξ.	Totolog Beck. 1960 - 180
	New York prices at 12.38	6	
	LOHDON (Pance)		Davy Corp. 160 - 7
A CONTRACTOR	RUSECS BOC Grp. 405 +		Birotunnel 431 - 17
	Nises BOC Grp. 405 + Chamberin Hill 233 +	8 8 6 ¹ 2	Birotutanel 431 - 17 Builderg (A.) 195 - 14
	Itlanco BOC Grp. 405 + Chamberlin Hill 233 + Corest 71 Iz + Cundell Grp. 185 +	8 6 ¹ 2 15	Dery Colp. Birotunnel 431 - 17 Burotunnel 431 - 17 Schüberg (A) 195 - 14 St. Portland 382 - 12 Land Sec 578 - 11
	Namesi 405 + BOC Grp. 405 + Chamberlin Hill 233 + Corato 71 l2 + Condell Grp. 185 + Findam Grp. 83 + Manics & Crane 35 +	8 6 ¹ 2 15 5 7	Lardy Column 431
	Nitroesi 405 + BOC Grp. 405 + Chamberlin Hill 233 + Corado 71 l2 + Quadell Grp. 185 + Finitan Grp. 83 + Marries & Crane 35 + Rowlines & Crane 35 +	8 6 ¹ 2 15 5	Dark volu 431
	Non-set 405 + BOC Grp. 405 + Chamberlin HBI 233 + Corab 71 ¹ 2 + Candell Grp. 83 + Namedia Grp. 83 + Manket & Crane 95 + Rowlinson 210 + Patter 170 -	8 6 ¹ 2 15 7 18	Barotunnel 431
	Non-set 405 + BOC Grp. 405 + Chamberfin Hell 233 + Corath 171 + Corath 185 + Smark Grp. 83 + Mignics & Crane 95 + Rowinston 210 + Paulities - - Bigant 170 - Brant Grp. 431 - Bartent Grp. 171 -	8 6 ¹ 2 15 5 7 13 18 8 10	Larry total 431 - 17 Bunchunnel 431 - 17 Bunchunnel 195 - 14 Schlaberg (A) 195 - 14 St Portland 382 - 12 Land Sec. 578 - 11 MEPC 558 - 11 Nett 136 - 20 Read Int. 374 - 11 Rebustants 428 - 10 Standbillitis 204 - 6
	Namesi 405 + BOC Grp. 405 + Chamberlin Hill 233 + Corato 71 12 + Condel Grp. 185 + Finan Grp. 83 + Manics & Came 35 + Rowinson 210 + Bajant 170 - Brit. Aaro 431 -	8 6 ¹ 2 15 7 18 18 8	Dary Colp. 131 - 17 Burotunnel 431 - 17 Schlöung (A) 195 - 14 Gt. Portland 382 - 12 Land Sec. 578 - 11 MEPC 558 - 11 Next 534 - 10 Next 136 - 20 Read Int. 374 - 11 Notimizans 428 - 10

		General Cinema declined to	PepsiCo, which last year	wish to bid for Cadbury.
48	London share service 48-47	talk specifically about its	bought Grand Metropolitan's US	Those are the UK gronp's
30	London traded options 30	intentions towards Cadbury. It	soft drinks activities for \$705m,	improved performance, the
48	London tradit options 30	said: "Right now we have no	said that the proposed deal was	expectation that General Cinema
38	Money markets 48	plans as to what we are going to	one of the most important	wonld want to sell the
48	New lot, bond issues 24	do with the proceeds of the	strategic investments that it had	confectionery division, and the
28	World commodity prices 38	deal."	undertaken.	attitude of Coca-Cola.
48 .		Cadbury's shares closed at	US soft drinks consumption is	Coca-Cola and Cadbury have
48	UK divideods announced 32		the highest per capita in the	an important joint venture in the
30	Unit trusts 42-45	345p, up 6p per share, with the		
		City undecided as to the	world. It is a highly competitive	UK in soft drinks.
-		American company's intentions.	market with low margins.	It is understood that should a
is s	ection	PepsiCo said yesterday: "We	The biggest companies are	bid be made for Cadbury,
		have had general discussions	rigoronsly aeeking greater	Coca-Cola would have first option
	Hong Kong Telecom 26	with General Cinema for some	economies of scale by	on acquiring Cadbury's 51 per
34	IEL 28	time about whether it wanted to	centralising production.	cent stake in the venture.
27				
32				
27	Jefferson Smurfit 32		A 69 A	
	Kelt Energy 32 Litten Industries 26		report first :	anniial loce l
27				allinai 1055
33			-	
	Lyonnaise des Eaux 32 MEPC 34	By Roderick Oram in New Yor	k	
33		AMERICAN Telaphone and	said.	It also announced it was accel-
	Millward Brown 33	Telegraph, the dominant US tele-	AT&T's stock slipped only \$%	erating tha depreciation of its
28		communications group, will	to \$29% avan though the	digital equipment. Coupled with
28		report the first annual loss in its	write-off, consisting mostly of	depreciation of some \$3bn of new
26	Norcros 33	103-year history following a	non-cash accounting changes,	network equipment added next
32	Northumbrian Water 32	\$6.7bn pre-tax write-off of obso-	was bigger than the \$4bn-\$5bn	year, the moves will leave the
33				company's overall depreciation
33	Ritz Design Group 34	lete equipment in its long dis-	expected. The company announced in October that it	charge little changed from this
32		tance telephone network.		
32	SCECorp 26	The charge, larger than expec-	would write off tha remaining	year's before the write-off.
	San Diego Ges 25 Sidiaw Group 34	ted and double the previous US	analog equipment in its long dis-	Some analysts, who had expec-
34	Sidlaw Group 34 Stavatey Chemicals 33	record set by AT&T in 1966, will	tance networks following acceler-	ted lower ordinary depreciation
26 34		reduce fourth quarter net income	ated installation of state-of-the-	charges next year, lowered their
34		by \$3.9bn, resulting in a loss for	art digital technology.	earnings estimates for 1989 in
34	the state of the s	the period and year, the company	Reflecting competitive pressure	light of the news. Mr James
32		announced yesterday. It declined	from MCI Communications and	Mason McCabe of Nomura Secu-
27	Volmac 27	to forecast the result but analysts	Sprint, two young competitors	rities, for example, cut his to
33	William Collins 33	were expecting full-year net prof-	with fully digital services, AT&T	\$2.50 a share from \$2.75-\$3. Over-
28		its of about \$2.3bn which would	brought forward to the end of	all, though, the write-off was
26	Woolworths 28	indicate a loss after the charge of	1990 its target date for carrying	"very positive," Mr McCabe said.
-		about \$1.6bn.	all US switched traffic via digital	The charge consists of \$5bn for
har	nges yesterday	"These actions will not signifi-	signals.	the write-off of analogue circuit
	3	cantly affect cash flow nor will	AT&T said yesterday it would	equipment, switches and trans-
,	PARIE (FP)	they adversely affect our ability	cut 16,000 operators and network	mission facilities, \$600m for
1	Plant Plant 576 + 26	to pay dividends and continue	personnel because of the higher	related equipment, \$700m for
4	Canal Plas 576 + 26 Fromage Bol 1540 + 49	investing in the business," Mr	productivity but it hoped to	removing the equipment over the
32	Sogenal 113.5 + 3.5	Maurice Tanenbaum, vice chair-	retrain most of them for other	next five years and \$400m for
-	Falls	man and chief financial officer,	jobs in the company.	related personnel costs.
29	Esso France 284 13	the state the second second second second	Jees we are company.	Frittenin ooyan
2	Localizance 419 - 13.5 Restalizance 1068 - 27			
14	CONTRACTOR 1999	3 / 33	110 7 5	
	TOICYO (Yen) Risee	Movmal of	elling Macn	villan unita
116	Lanae Battery 839 + 100	IVIANWCII SC	Juny Wiach	unan anns i
15	Maii Lastiner 1220 + 130		0	
	Nichies 2500 + 260	By Roderick Oram in New York	•	
4	Public Sent Sent Canada Sent Canada Sent Canada Sent Sent Sent Sent Sent Sent Sent Sent	NA FRANCING CARDIN UNICH LOIN		
2	0100 - 101			
4	Table 2100 - 100 Totolar Beck 1980 - 180	MAXWELL Communication, the	cumbed to Mr Maxwell's \$2.7bn	No further disposals were
*	House Lines	public company of Mr Robert	offer he sent a two-page memo to	planned now, and any chosen
		Maxwell, the British publisher,	the group's employees worldwide	later would be "small units not
		has announced the sale of three	saying it is "not our intention to	related to the mainstream."
	· · · · ·	units of Macmillan.	break up or in one man and the	
			break up or in any way reduce	For a total of \$400m, KKR is
	Davy Corp. 160 - 7	The move comes less than a	Macmillan." He added: "I am	buying Macmillan Book Clubs,
8	Eurotunnel 431 - 17	month after Mr Maxwell told	committed to continue its growth	
8	Solitberg (A.) 195 - 14	employees of the New York pub-	as a leading publishing and com-	Gryphon Editions and Intertec
612		lishing house he had no intention	munications company."	Publishing from the Macmillan
15 5	Land Sec: 578 - 11	of breaking it up.	Mr William Reilly, Macmillan's	group and Webb Publishing from
7	MEPC 558 - 11 Not West 534 - 10	The buyer is Kohlberg Kravis	president and chief operating offi-	Maxwell Communication.

Roberts, the New York leveraged cer, said yesterday that employbnyout specialist Mr Maxwell overcame in a bitter and protracted fight for control which he won early last month. rotracted fight for control which e won early last month. The day after Macmillan suc-be sold were peripheral.

The first two are direct marketees had understood all along that ing businesses for books and the only the core publishing and Bersecond two publish controlled circulation trade magazines. Mac millan gave no figures for their size

ng Macmillan units No further disposals were planned now, and any chosen later would be "small units not

It also announced it was accel-erating tha depreciation of its digital equipment. Coupled with depreciation of some \$3bn of new network equipment added next year, the moves will leave the

Nationale-Nederlanden N.V.

has acquired

MONY Life Insurance Company of Canada

a subsidiary of

Mutual Life Insurance Company of New York

The undersigned acted as financial advisor to Nationale-Nederlanden N.V. in this transaction.

Prudential-Bache Capital Funding

Many shops are already holding sales and business is intensely competitive. Some stores are heavily over-stocked. However, Mr Davies claimed that Next was getting at least its fair share of any trade.

· - 4-



Storehouse

5

1.1

· , ·

. -

.

1.1

AMEX

1ra

Harribur

1

R.

in French

INTERNATIONAL COMPANIES AND FINANCE

San Diego Gas accepts \$2.5bn merger proposal

By Anatole Kaletsky in New York SAN DIEGO Gas & Electric has accepted a slightly improved merger offer, worth more than \$2.5bn, from SCEcorp, another sonthern California ntility company. The combination would create the largest pri-vately-owned ntility husiness in the US, with \$17bn of assets, 4.7m customers and annual

26

revenues of around \$8bn. San Diego's acceptance of the SCEcorp offer came after four months of negotiations, occasionally acrimonions, which led to the break np of an earlier \$1.7bn merger deal between San Diego and Tucson Electric Power Company in Arizona.

The clinching factor appeared to be an increase announced last week in SCE-corp'e all-share offer. SCEcorp said last week that it would swap 1.3 of its own shares for each share in San Diego, com-pared with the swap ratio of 1.225 it offered previously.

In addition, SCEcorp has offered to increase by 20 per cent the dividends on \$155m of San Diego preferred stock, which it will also exchange.

SCEcorp shares traded at lunchtime yesterday at \$22%. down \$% from their closing valoe on Wednesday, before the announcement of the merger deal, which was signed after the end of Wall Street trading.

Yesterday's market price put a per-share value of \$42.41 on the offer for San Diego. San Diego's shares moved down yesterday by \$% to \$39%.

To finance the acquisition. SCEcorp said it would issne 72.7m new shares, hringing to 289.8m its total shares ontstanding. Analysts said, how-ever, that they expected no sig-nificant dilution of earnings as a result of the merger. In its last full year, SCEcorp

had net earnings of \$788.6m, or \$3.39 a share, on revenues of \$5.49bn, while San Dlego earned \$196.8m, or \$3.28 a share. The companies said they expected to eliminate \$100m in annual operating costs and save about \$350m in capital spending by joining forces. The main attraction of the

merger for both parties was their complementary supply and demand eituation. San Diego serves an area with very rapidly growing population and is already short of generat-

ing capacity. SCEcorp. whose original name was Southern California Edison, cerves most of Los Angeles county and its environs, though not the city of Los Angeles itself. The area's population is growing more slowly than San Diego's and SCEcorp has substantial excess

generating capacity and sells electricity to other utilities. After the merger, California will be left with only three sub-stantial utility companies – the newly combined southern California gronp, the city-owned Los Angeles system, and Pacific Gas & Electric, the San Francisco-based company which is at present the largest private utility in the US.

Canadian Baxter aims at overseas growth Imperial Deborah Hargreaves on the leading US hospital supplier's plans

Bank shows Barter International, which has emerged from the last five turbulent years in the US health care industry as the country's major hospital supplier, has its eyes firmly set on overseas By David Owen in Toronto **CANADIAN** Imperial Bank of

sharp rise

Treasury securities. Losses on these transac-tions, including the amount required to raise country risk

provisions to 45 per cent of exposure, totalled C\$203m. The bank's LDC loan portfo-

lio now stands at C\$1.96bn,

sion of C\$100m.

Commerce, the country's sec-ond largest chartered bank, expansion. The group has grown from a revenue base of \$1.3bn just ond largest Chartered Bank, yesterday reported substan-tially improved fourth-quarter earnings due partly to recov-eries of loan loss provisions. In the latest period, the Toronto-based bank earned C\$174m (US\$147m) or 96 cents three years ago to a \$7bn operation following an aggressive expansion policy involving a merger with a company almost twice its size, American Hospi-tal Supply. The merger was a result of the troubled health care industry in the US, and Baxter is applying the subse-quent synergies to its interna-

tional operations. Baxter's long term goal is to boost significantly its overseas division's earnings from the current 21 per cent slice of overall sales. However, given the different systems of healthcare in its five target countries - Japan, West Germany, France, the UK and Canada the company relies heavily on strong local operations.

"Our challenge is to take our product portfolio and erpand its eales ontside the US," C\$124m in loan loss provisions following the successful com-pletion of the takeover of explains Mr Wilbur Gantz, Baxter president. "But that has got to be done by leveraging off Dome Petroleum, the beleaguered Calgary energy com-pany, by Amoco Canada. During the year, the bank reduced its Third World Loan our existing operations in those countries." exposure by C\$1.2bn through sales and swaps, including the exchange of C\$372m in loans to Mexico for Mexican govern-ment bonds hacked by US

Baxter has established its strongest operation in the UK, where it is a major supplier to the National Health Service. The failing health of many hospitals in the US has, how-

ever, pitched Barter's domestic product-supply business ioto an intensely competitive covi-roomeot. The company has been burt this year by the diffculty in passing on rising raw materials costs to customers, and in the third quarter profits were down slightly on the same period last year.

However, Baxter is heppy about the basic trends, and stresses that it sees its future in offering much more of a value-added service. As a health care company, Baxter likes to strike a balance between its four main divi-

sions, which include medical products, distribution and service, as well as a home care eervice for critically ill patients, and its overseas sinesses

bu But of these corporate sectors, distribution provides more than half of the company's revenues and has grown steadily since the 1965 merger with American Hospital. "We ended up with 65 per cent of the prodocts a hospital

needs," says Mr Gantz. He points out that this in turn gave the group the opportunity to offer hospitals long-term contracts through which they could also provide a consulting service on how institutione could improve storage and

product management. We're pushing the partnership concept... that we can work together on cost-cutting," explains Mr Gantz. An average hospital; for

its hudget on medical products and another 20 per cent on managing that material, eo Baxter has the potential to help cut costs over a sizeable portion of the hospital budget. An electronic deta network links Baxter with its customers and there is move towards

just in time delivery. In addition, hospitals are also trying to cut costs hy moving as much care as they can outside the hospital, and Bax-ter is tapping the market cre-ated hy this policy. The com-pany's acquisition in 1986 of a company called Caremark dou-hled its home-care operation, which it sees growing rapidly in coming years.

The company provides nurses and equipment for home-car patients

and its own pharmacists and eupply vans. In this way, it providee intravenous feeding facilities and antiblotic therapy for home-based patients, many of whom are suffering from AIDs-related diseases.

These efforts are backed up hy a strong commitment to research and development, and the company plans to epend \$1bn on research over the next four years.

Baxter was a pioneer in kid-ney dialysis technology, an area which is extremely important in its push into the Japanese market, where kidney problems are high. It has recently developed a computcomes in.

children's example, spends 20 per cent of er-controlled, movable intravenous feeding unit end is work-ing on research into artificial blood. wear deal However, the company has By Maggie Urry faced production problems with some of its older prod-STOREHOUSE, the retail

store the state of the second ucts. In addition, it has not been able to keep up with demand for several products, such as plasma solutions. This, accompanied with rising raw materials costs which the company must bear because most of its eales are through France, under the Espace Jacadi fascia. Continental children (or their parents) are generally more style-conscious and betlong-term contracts. hae depressed earnings this year, according to Mr Jerry Fuller, analyst at Duff and Phelpe, the Chicago investment firm. ter dressed than their British counterparts, hut, Storehouse believes, the trend in the UK is

Baxter has missed an earn-ings estimate of \$1.50 per share for this year after third-quarter towards better quality chil-dren's clothing. earnings fell 6 per cent against the same period last year. This has quenched enthusiasm for depend on future profits from the business and the cost of the company stock, which has tumbled to \$16 from a high this buying the French shops over the next few years. The initial consideration is likely to be year of 529.

But Mr Fuller puts the company's net income at \$1.32 a share this year, which is still abie on completion. The total price, to be paid by 1963, will not exceed £45m. Mr Michael Julien, chiaf up from \$1.14 for 1987. "As a \$70n-company that is trying to do a lot of things aggressively, you can't have perfect symme-try from quarter to quarter. stresses Mr Gantz. "But we feel good about the basic trends. "We feel confident because we service an industry where people really want the product.

group's strategy to huild a portfolio of retail brands, and in particular international hrands which could "travei" The real issue is how can we help them fund it?" That's across continental European frontiers. where his partnership plan Last week Storehouse set up

a epeciality retailing division, which includes Mothercare, its Mothers' and hahies' goods arm, Richarde and Anonymous, two women's fashion chains, and Blazer, which sells men's clothes. Jacadi will fit into this division, and further

The total purchase price will

£16.4m (\$30.3m), depending on profits for 1968 which are esti-mated at £1.6m, with £10m pay-

executive of Storehouse, said the deal was part of the

acquisitions are possible. Mr Julien said Jacadi, which was founded in 1980, had been looking for a minority investor and approached three compa-nies. During discussions with Storehouse Jacadi's chief exec-utive Mr Patrick Hamelle found the UK-based, but francophile, group sympathicue and decided to join the Storehouse team.

Storehouse plans to build a chain of Jacadi shops in the UK. It already has about 15 per cent of the UK baby to 10-yearold market through BhS and Mothercare, The French childrenswear market is worth £2.4bn, a third more than the UK market.

Early advance at Litton **By Our Financial Staff**

LITTON INDUSTRIES, the West Coast defence and electronics group, lifted net income in the first quarter.

The results reflected improved profits at both its advanced electronics and its marine engineering and production divisions. At the end of the last fiscal

year the group said its backlog had reached a year-end record

which would assure further business growth. Net income for the first quar-

ter rose to \$43.6m or \$1.69 a share, from \$40.6m or \$1.51 last year. Sales were \$1.23bn, against \$1.2bn. The advanced electronics

side, which takes in electronic warfare systems and naviga-tional systems, took operating profit to \$43.1m from \$39.5m.

against which a provision of C\$880m is carried. Its net exposure to LDC debt at the fiscal year-end was 27 per cent of common equity, against 53 per cent in 1987. The bank has now set aside an additional prodential provi-· Bombardier , Canada's leading heavy transport equipment and aerospace group, has improved performance. Third-quarter net profit was C\$27.7m

from \$52 a share. 38 cents, on sales of C\$345m. At the nine-month stage net profit was C\$69.8m or C\$1.07 a Farms, the nation's third larg-

share on sales of C\$1.1hn, up from C\$58.2m or 88 cents. est poultry producer, announced a merger agree-

ment with ConAgra, a diversifled food processor. This deal, said to be worth around \$55-58 a share, involves a share

subsidiary to profit in 1989. La Générale also said it pro-

SOCIETE GENERALE de Belgique, Belgium's largest holding company, is restructur-ling its interests in interna-tional trading in an attempt to restore its Générale Trading

posed appointing Mr Jacques Rouayroux, a senior manager at its main shareholder, Com-pagnie Financiere de Suez of France, as chief executive of

The changes represent a further element in the attempt by Suez to reorganise La Générale's sprawling industrial empire following its victory earlier this year in its epic bat-

companies holding about one-

third of the market. Mr R. Lee Taylor, Holly Farms president, noted that the company had had a pro-posal from Tyson to increase its offer to \$54 in cash at the

time the board approved the deal with ConAgra. On Wednesday Holly shares closed at \$53, up \$1.

. . -

New Issue

...

December 1, 1988

exchange, rather than cash. A deal between Holly Farms and Tyson would lead to a con-solidation of the US poultry industry, with the combined

Générale Trading.

Holly weighs Tyson offer | Générale unit shake-up By Our Financial Staff

tle with Mr Carlo De Benedetti, the Italian entrepreneur, for

control of the company. La Génerale last week announced rescue plans for its Gechem chemicals and FN

Herstal arms units. It said yes-terday that the trading unit would record a "significant" loss in 1988, hnt did not give figures In 1987, Générale Trading's consolidated results showed a

loss of BFT386.6m (\$10.6m). Formerly called Laura & Vereeniging, the unit trades directly in non-ferrous metals and has subsidiarles dealing with minerals, tropical products and coal and oil.

This ennouncement appears as a matter of record only,

HOLLY FARMS, the US poultry products group, is to consider within the next few days a new cash and stock merger proposal from Tyson Foods, its chief rival. Tyson this week re-entered the protracted hid battle for

Holly by making a "friendly" share and cash offer, valued at \$57 a share. The offer is based on a two-step merger deal.

By Our Financial Staff

Tyson has also lifted its all-, or 43 cents , on sales of C\$439m, up from C\$25.2m, or cash tender offer for Holly to \$54 a share, or around \$977m, Earlier this month Holly

C\$174m (US\$147m) or 96 cents a chare, compared with C\$109.4m or 64 cents a share. This pushed net income for the year ended October 31 to a record C\$591m or C\$3.34 a share, against a C\$18m loss in 1987. The year ago figure includes a special provision of C\$450m related to a hefty hike in the bank's reserves to truein the bank's reserves to trouhled Third World countries. Excluding the provision, full-year earnings climbed 37 per cent from a year ago. Fourth quarter figures take account of the recovery of



INTERNATIONAL MARITIME SATELLITE ORGANIZATION (Lessee)

> Up to £206,000,000

Finance Lease and Letter of Credit Facility

for Three Communications Satellites

Lessor Manager

Lombard North Central PLC

provided by subsidiaries of

Barclays Mercantile Business Finance Ltd Forward Trust Group Ltd Lloyds Leasing Ltd Lombard North Central PLC

Lead Manager and Agent for Letter of Credit facility



Provided by

European Investment Bank Kreditanstalt für Wiederaufbau Crédit National Istituto Mobiliare Italiano Société Nationale de Crédit à l'Industrie Hellenic Industrial Development Bank

The undersigned acted as advisors to INMARSAT

BABCOCK & BROWN



UNILEVER CAPITAL CORPORATION

Australian Dollars 100,000,000 13% Guaranteed Notes due 1993

unconditionally and irrevocably guaranteed, on a joint and several basis, as to payment of principal and interest by

UNILEVER UNITED STATES. INC.. UNILEVER N.V. AND UNILEVER PLC

Deu	tsche Ban	k (Capital Mark	Kets imited
Algemene Bank Nederland N.V.	Amsterdam Bank N.V.	ı-Ro	otterdam	Baden-Württembergische Bank Aktiengerelischaft
Bank Brussel Lambert N.V.	BNP Capita	l M	larkets	County NatWest
Genossenschaftliche Zentralbank Aklengeselischeft	Goldman S	ach	s International	Landesbank Stuttgart Girozentrale
S.G. Warburg Se	curities		Westdoutsche	Landesbank Girozentrale
				NANCÍAL TIMES CONFERENCES
COMMERZBANK OVERSEAS FINAN U.S.\$ 100,000,000 Floating Rate Notes Due 198 In accordance with the provisions of the Notes not given that for the three months period from Novembe	19 ice is hereby or 30, 1988 to			WORLD COMMUNICATIONS London
February 28, 1989 the Notes will carry an interest per annum with a coupon amount of U.S.\$ 237.50. Frankfurt/Main, November 1988	rate of 9½%			& 14 December, 1988
COMMERZBANK			advertieeme	information, please return this nt, together with your business

card, to:

Financial Times Conference Organisation 126 Jermyn Street London SW1Y 4UJ Tel: 01-925 2323 Fax: 01-925 2125 Tlx: 27347 FTCONF G





Power plant makers seek new partnerships profits Nick Garnett looks at the pressures forcing an industry into widespread restructuring

T he pace of change sweeping through the world's power station bud by Sir Terebe buying Jacabi childrenswart i through a chai equipment makers has begun to accelerate in what is turning out to be one of the most comprehensive restructurings ever undertaken by a single indus-UY.

MBER 2 1988

shouse

ench

ren's

deal

USE, the

Dry

sthrough a chand and shops, mostly i inder the Espan In the past month, Asea Brown Boveri, the Swedish-Swiss electrical engineering atal children (g athi Children (g mts) are genetally sconscious and be i shan their Britis is trend in the UK's setter quality the hing giant, has announced that it is taking majority control of the industrial assets of Franco. Tosi, the Italian manufacturer of steam turbines and boilers. Framatome, the French nuclear power plant maker, said it was negotiating a big joint venture with Babcock & Wilcox of the US while North-ern Engineering Industries, a UK maker of boilers, turbines and Bwitchers, entrances times t purchase price of t future profits from the cost of the cost of ew years. The with store is likely to b and switchgear entered into merger discussions with 10.3m), depending to 1966 which are st Rolls-Royce, the aero engine make At the same time, the forma-

ci,6m, with film are est simpletion. The bas be paid by 1993, wi tion of a joint venture in elec-tronics and defence equipment between Siemens of West Gerchael Julien, the many and Britain's GEC has heightened speculation that this co-operation could eventuof Storehouse, si was part of the strategy to build a of retail brands ar sular internation shich could internation ally spill over into power engineering.

neering. Ever since Asea and Brown Boveri merged their companies into Europe's biggest electrical engineering business last year, a rash of mergers and joint ventures has followed among equipment suppliers for hig oil, coal finad and nuclear difficience which could "trang ontinental Europe the Storehouse set a first retailing division diudes Mothercare a - coal-fired and nuclear #ations. A web of interlinking busi-nesses is being formed in Europe with tentacles stretchand babies' good chards and Anon women s fashin nd Blazer, which at ing out to US equipment mak-ers. Japanese companies are othes. Jacati wil to division, and here likely to be sucked in soon. Those companies so far left out are desperately clawing to get ons are possible. tion said Jacadi with idea said Jacadi with idea in 1960, had be for a minority invest partners. Just about every major

reached three com wing discussions a me Jacadi's chie ce ar UK based, but to group sympathing

MOUSE PLANS to bailt d Jacadi shepi n n iready has about 2 ; the UK baby to 19 ; ritet through Bis m A third more than 2

MONTHCHIMPATT appears AREASE OF FREEDING CONV

Interest income in the latest 10-month period soared 18 per cent to DM270m from DM229m TION a year earlier. Commission income dipped 3.6 per cent to

DM221m

equipment maker, including Japan's Mitsubishi, General Electric of the US and GEC are seeking new partners and alliances. Others, such as Westinghouse in North America, ABB and Siemens have already started the process.

These moves have been fuelled by a number of pres-sures. These include worldwide factory overcapacity of 70 per cent, weak power station demand in mature markets and the approach of what might be a more open European market after 1992. An extra fillip has been the likeli-hood of a general switch in mature markets towards smaller so-called combined cycle gas turbine-powered sta-tions which could leave some of the traditional manufactur-

ers out in the cold. The tremors have been so severe that the whole structure on which the industry has been organised is crumbling at astonishing speed. Manufacturers of electricity generation and distribution machinery have always had.

technology links. They also come together in fragile short-term alliances on individual power station building projects.

DM133m from DM138m, Income

from trading operations was slightly higher than in the pre-

vious year, due mainly to rising profit from the trading of foreign exchange and shares.

Meanwhile, operating expenses rose 13.2 per cent in January-October to DM275m

from DM243m in the year-ear-Her period. Business volume rose 14 per cent to DM22.7bn at the end of

October 1968 from DM19.9bn on

The bank said its overseas banking subsidiaries are expecting "satisfactory"

However, the bank's over-

seas investment banking units,

including BHF-Securities

(Asia), expect losses due to

capital for the fund. World

Software Gronp hopes to attract more capital from insti-

tutional and industrial inves-

tors in the Netherlands and

The new fund will rely on

Volmac software for expertise and know-how and will own 19

December 31, 1987,

high start-up costs.

However, the 20 or so main companies have long been independent, operating out of protected domestic energy markets while fighting it out for export orders in Third World and emerging nations. Some of that independence is now dying by necessity. The formation of ABB

ignited it all. With sales of \$18bn, it displaced General Electric as the world's largest power equipment supplier. Straddling Europe, its creation unsettled everyone else. ABB has acted like a magnet

Percy Barnevik: wants to partner the Japanese

for deals. Its policy has been to have production capacity in most of the main domestic European markets. If the power supply market does not open up in 1992 it still has a pretty big stake in many national markets but if Europe does open up it has the scale to ationalise and reduce costs. After ABB was formed, it ratio

bought a minority stake in Franco Tosi before following that up with last month's deal, struck at a cost of about \$300m.

That deal has angered Italy's IRI-Finmeccanica, the state engineering concern which had wanted to merge its Ansaldo power equipment business with Franco Tosl. ABB has also bought three smaller Ital-ian electrical equipment com-panies and a Spanish transformer company.

Elsewhere in Europe, ABB's West German subsidiary has pooled its nuclear reactor tech-nology with Kraftwerk Union, Siemens' power station equipment division, and bought a steam turbine manufacturing plant in Germany from AEG.

Outside Enrope It has Inmped its North American power businesses into two big joint ventures with Westinghouse. Mr Percy Barnevik, ABB's chief executive, says that in Asia the group wants partnerships with the Japanese, rather than a battle. ABB is in talks with Mitsubishi. The rest of Europe is strug-gling to stay with the pace.

Alsthom of France, which has a long-standing switchgear joint venture with Britain's GEC, recently purchased ACEC in Belgium but there has been no further sign of movement from Alsthom. Framatome had partnership

talks with Westinghouse last year but these failed with Framatome complaining that the US group would not treat it as an equal. The Freuch company, 40 per cent owned by the privatised Compagnie Générale d'Electricité, is already in a nuclear fuels joint venture with two other French compa-mies and Babcock & Wilcox.

Discussions on a new deal with Babcock would take it right into the North American power plant market. Frama-tome, like ABB, is also in talks with Mitsubishi. Siemens had discussions ear-

lier this year with GE bat these have produced nothing so far. Instead, GE is rumoured to be holding detailed talks with GEC on a set of wide-ranging agreements in power engineering. These two compa-mes tend to compate in different geographic markets. A deal involving GEC, GE and Sie-

mans cannot be ruled out. If GEC signs up with a part-ner this would put some shape into the UK equipment supply industry where almost all attempts to rationalise in the past 10 years have foundered.

Instead, equipment companies have tended to be swallowed

up by non-power business Babcock, a boiler maker (unconnected with Babcock of the US), was sold to electrical group FKI last year. FKI's attempts since then to sell the power equipment business part of Babcock to GEC and then to Westinghouse came to nothing. Five years ago, Hawker Siddeley, which makes power generation and distribution equip-ment, tried to absorb John Brown, the power station con-tractor and gas turbine maker. They could not agree terms and John Brown was absorbed by Trafalgar House, a diversified engineering, construction

and leisure group. NEI has recently tried to strengthen its technology and product range and maintain its independence by signing deals with Mitsubishi, first to make some of the Japanese company's switchgear, then to mar-ket its gas turbines.

This strategy was thrown into confusion last month when Rolls-Royce secretly took a small stake in NEL The two companies are now discussing what kind of collaboration or merger R-R has in mind. The iet engine maker needs to get into new business areas. Its gas turbines - for which it now has a technology and mar-keting deal with ABB - are used in non-base-load power generation

The move to smaller stations in the US and Europe might be much slower than some observers think. However, as with the large power station equipment market, it will intensity the worldwide battle for sales of gas turbines - the prime movers in cogeneration - among the six or so main world suppliers, led by GE.



in Geneva

مكنامنالخص

ASEA BROWN BOVERI, the electrical engineering group, yesterday reported a pre-tax profit of \$358m for the first nine months of the year.

Consolidated sales amounted to \$12.15bn. After adjusting for acquisitions and disinvestments, this figure was 17 per cent higher than the combined sales in the first three quarters of 1987 of the Swedish and Swiss companies which merged last January.

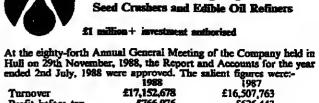
No profit comparisons are made, as no consolidated fig-ures are available for 1987. At the 1988 half-way stage ABB posted pre-tax earnings of \$229m on turnover of \$8.5bn. Previously the group said the effects of its massive restruct-nring would emerge in the 1989 profits.

ABB received \$13.1bn of orders valued in the first nine months of this year, leaving it with an order backlog at the end of September of \$14.9hn.

During the third quarter ABB set up a joint venture with Siemens in high-temperathre nuclear reactors, acquired the AEG group's steam tur-bine business and bought Brit-ish Wheelset Manufacturers from British Steel.

Last month ABB reached an agreement to take control of the industrial operations of Franco Tosi, the Italian boiler and turbine manufactorer, in 1989

After failing to negotiate a price, the two sides have agreed that it should be decided by an arbitration board. The Franco Tosi board will meet on December 15 to consider the deal.



Chambers & Fargus pic

	and a part	0.000
Profit before tax	£766,076	£626,443
Profit after tax	£497,308	£395,326
Dividends	£144,426	£102,135
Earnings per 5p share	10.33p	10.78p
Dividend per Sp share	3.00p	2.750
At the meeting the Cha	irman made the fol	lowing statement

At the "As yoo will have seen in the report and accounts 1988 was another good year and I am pleased to report that the unaudited results for the first quarter of the current year indicate that satisfactory progress continues to be made.

With regard to the future, the board has decided today to go ahead with the construction of a hydrogenation plant costing something over £1 million in order to be able to produce specially hardened oils required by the food industry. This plant is intended to increase the proportion nf higher added value products rather than to add to the total output of the refinery. A supply agreement has been signed with Karlshamns AB who will take all their requirements for the sales of these products in the UK and Ireland from the new plant. This will represent a substantial proportion of the plant's capacity. The board believes that this project represents a logical step in the Company's progress towards moving into higher added value, higher margin products and is confident that the plant will prove to be a most useful addition to its edible oil refining business." G.S. Kurkian. OBE Chairman With regard to the future, the board has decided today to go ahead G.S. Kurkjian, OBE Chairman



U.S.\$40,000,000 Floating Rate Notes due 1993

(Redeemable at the Noteholders' option in 1990) In accordance with the provisions of the above Notes, notice is hereby given that for the six months from 30 November 1988 to 31 May 1989, the Notes will carry an interest rate of 9% per

The interest payable on each U.S.\$10,000 and U.S.\$250,000 Note on the relevant interest payment date, 31 May 1989, against Coupon No. 12 will be U.S.\$492.92 and U.S.\$12,322.92 respectively.



Bayerische Landesbank Bulletin MONEY AND CAPITAL MARKETS REPORT - NOVEMBER 1938

Is The Flight From The **German Bond Market Over?**

For years, massive foreign investment in the German bond market had a dampening effect on interest rates. But this year, things have changed. Foreign investment has fallen off draheavily abroad. A recent weakening of the US dollar, however, could revive interest in DM bonds.

A Dramatic Shift

(in DM billion)

Net purchases of securities

German Investments abroad

of which foreign DM bonds

their Gill of

Foreign investments in

German bonds

Rush into foreign boads

36.6

This is evident from the following figures: With total purchases of DM 50.4 billion, including DM 46.1 billion of domestic bonds, banks rank second as net buyers of bonds after non-banks, who

Volmac launches fund

BHF-Bank confident of

good full-year results

By Our Financial Staff

BERLINER HANDELS- und Frankfurter Bank (BHP-Bank) increased its partial operating

profits by 3.2 per cent in the first 10 months of 1988 to

DM128m (\$73.7m) from DM124m in the period last

year. The bank said the development of business in recent months makes it "confident" of

being able to achieve good

results for the full year. In 1987, BHF-Bank's partial

operating profit, which is inter-

est and commission income less operating expenses, dropped 19.4 per cent to

By Laure Raun in Amsterdam

VOLMAC, the rapidly growing Dutch software house, has launched a venture capital fund with the aim of creating a global network of computer software companies. The new fund, named World

Software Group, plans to acquire strategic stakes in software companies around the world as its parent company has already done. The software industry is

marked by increasing interna-tionalisation as the need for economies of scale becomes Volmac Holding, which owns the 30 per cent of Volmac Soft-

ware not listed on the Anisterdam Bourse, has provided the F1 700m (\$358m) in start-up bergische Bank

diam'r.

committee!

TIMES

ICATIONS

ber, 1988

Nesse cours 13

· Organiseise

ICES

and knownow and win own is per cent of that software house, which will have rights to World Software Gronp's profits. More than F1 600m of the fund has already been invested through Volmac Software. Stakes have been acquired in Cap Gemini of France, Sema Group of France and the UK, and Worldwide Computer Services and Computer Task Group of the US.

US\$38,500,000 Floating Rate Notes due 1996 Notice is hereby given that the rate of interest on the above Notes for the period 2nd December, 1988 to 1st March, 1989 has been fixed at 11.0625% per ennum, peyable 2nd March, 1989. The amount payable against Coupon No. 10 will be \$27.66 per \$1,000 Note. J. Henry Schroder Wagg & Co. Limited Reference Agent

Continental Airlines, Inc.

International Bank for Reconstruction and Development

U.S. \$250,000,000 **U.S. Dollar Floating Rate** Notes due February 1994 For the interest period 30th November, 1988 to 28th February, 1989

the Notes will carry an interest rate of 8.48% per annum with a coupon amount of U.S. \$212.00 per U.S. \$10,000 Note, payable on 28th February, 1989.

Bankers Trust Company, London

Agent Ban

The figures speak for themselves: While the D-mark was flying high between 1985 and mid-1987, foreign individuals and institutions invested DM 125.7 billion in German bonds; purchases of German public bonds made up DM 100.7 billion, or four-fifths, of this amount. Total public borrowing during this period, i.e. DM 102 billion, was thus roughly equal to the net inflow of foreign capital. This helps to explain both the sharp drop in interest rates in 1986/87 to two cyclical lows and the subsequent period of low interest rates, which is probably not in jeopardy as long as there is no sizeable sell-off of DM bonds by foreign investors.

Ranks fill fhe breach

Although foreigners have practically ceased buying German bonds since last summer and even turned net sellers to the

tune of DM 3.3 billion between July 1987 and August 1988, this did not have a negative effect on German interest rates, as personal savers and, above all, the banks, which the Bundesbank had provided with ample liquidity, filled the breach. Net purchases of German bonds by non-banks came to DM 14.1 billion during this period, while banks raised their bond holdings by DM 46.1 billion.

The banks' dominant role as buyers of domestic fixed-interest issues tends to obscure a shift that is even more remarkable. Although the banks have been massive buyers of DM bonds for more than a year, their total fixed-interest investment does not match that of non-banks, who - while buying more domestic bonds - have found foreign securities much more enticing.



have bought DM 14.1 billion worth of domestic bonds and a staggering DM 42.6 billion worth of foreign securities (including foreign DM bonds) since last summer.

> In contrast to increased buying of foreign bonds by German investors, net foreign investment in DM bonds has been shrinking dramatically in the past twelve months or so. After an increase of DM 35.2 billion in the first half of 1987, the increase in the second half of the year was down to 0.2 billion. In the first eight months of the current year, sales of DM bonds by foreigners exceeded purchases by DM 3.3 billion - a trend prevailing until the D-mark's latest rebound. It remains to be seen whether this marks the beginning of a turnaround and thus a renaissance of DM bonds.

Much slower rise

For several months, there has been an increase in the supply of investable funds, which allows the market to cope with the double-barrelled problem of capital outflows and foreigners' wait-and-see attitude.

Still, there is no immediate risk of a rise in interest rates. This all the less since the German market has recently benefited from two events: the decline in U.S. bond yields (the yield on 30-year goverrament bonds has dropped below 9 per cent) and the weakening of the dollar. As a result, the yield on German 10-year bank bonds approached 61/2 per cent, a level close to this year's low (6.3 per cent) which even optimists regard as the lowest possible limit.

**	a start and a start of a	and the second sec	the second second	Head Office:
	To receive your complimen- tary copy, in English or German, of the current issue of Bayerische Landesbank's Money and Capital Markets Report, just fill out the coupon below.	Bayerische L Girozentrale Economics I P. O. Box 200 D-8000 Munic	Department 525	Brienner Str. 20, 8000 München 2, Tel. (89) 2171-01, Telex: 5286270, Telefar: (89) 2171-3579. Branches: London, Tel. 726-6022; New York, Tel. 310-9800; Singapore, Tel. 2226925. Subsidiary: Bayerische Landesbank International S.A.,
4	Yes, please send me a comp November issue of your Mon Name	timentary copy of acy and Capital M	the October/ arkets Report.	Luxembourg, Tel.: 4759U-1. Representative Offices: Toronto, Tel.: 862-8840; Vienna, Tel.: 5353141; Johannesburg, Tel.: 8387168.
	Address			
۰.	Country			M
4 5		English	German	ďo

28

All of these shares having been sold, this announcement appears as a matter of record only



MEDIOBANCA

Banca di Credito Finanziario S.p.A. (Incorporated with limited liability in the Republic of Italy)

Placing of 27,126,440 Ordinary Shares of Lire 1,000 par value each

sold by

Banca Commerciale Italiana

Banco di Roma Credito Italiano

Lit. 519,471,326,000

GLOBAL CO-ORDINATOR MEDIOBANCA Banca di Credito Finanziario

REGIONAL SYNDICATES Italy 25

Banca Nazionale del Lavoro Cassa di Risparmio delle Provincie L Banca Agricole Mantovana Banca Castolica del Veneto Banca d'Amarica e d'Italia Banca Nazionale dell'Agric Banca Popolare dell'Emilia Banca Resolute di Locci a di Padova e Tries Credito Agrario Bre Bea di Trento e Bolza Piecolo Credito Valo re di Asolo e a Popolare di L are di Verom Banca Popolaro Banca Toscana Banco di Sicilia a di Nanali S.P Casse di Rispermio di Torino Credito Commerciale Credito Varesia achi di Sie ABT Eptaco. United Kinodo S. G. Warburg Securities bove & Co.

Dentache Bank Abriencestlechef anthergiscus .

Switzerland

SBCI Swiss Bank Corporation Investment banking of Switzerland (Socarities) Limited BSI - Benes della Svizzara Raliana S. G. Warburg Soditic (Jersey) Led. Bank in Liechtenstein AG Swiss Volk Se of Sector Banco del Gotterd nco del Gouna de Banque et d'Inversa Limite nalabank Nas West (Oreress) Limite Sacuticies Limited CTI Rest of the World

Goldman Sacha International Limited

a Bank Nederland N.V. rs Lote tilbeo Viscaya unders Leing & Cruichi ovett (Asia) Limited Morgan Stanley International N.M. Rothschild & Sons (Hong Kong) Limited

Daiwa Europe Limiter

ional Limite Mitsubishi Pinence International I Toys Trust Integnational Limited

re Go

ويستشكك

.

SPECIAL PLACING GROUP Credito Italiano Banca Commerciale Italiana Berliner Handels- und Frankfurter Ba

ADVISER TO THE SELLING SHAREHOLDERS Credit Salese Pirst Boston Limited

Banca Popelare di Novara Istituto Bancario San Paolo di Torino Bunca Brignous Banca C. Steinhamlin & C. Banca Mannurdi ara Commercio e Industrie Popolare di Bargamo na Popolare di Milane Janca Popolare Venate nea S. Paolo di Breach aco di Sento El Rispernito di Farm Credito Bergaman Credito Romagnos cario It daria Listers Pie

County Nut West Limited

- Dentacha Genous March Finck & Co

terfine Capital Mariner Limited

ceill Lynch Inte

Mittani Trust Int

Generale Be

al Limi In Trust Europe Linkind

Banco di Ro

December 1988

Lazard Frères & Cie

al & Co

La Cantrala lings.

> half-year to September, with all divisions showing improvements their predictions for the full

push through the A\$300m mark - aimost double the level of just two years earlier. Today the group lists its shares in London. It is already

THE long-awaited HK\$4hn (US\$512.8m) international

FINANCIAL TIMES FRIDAY DECEMBER 2 1988

INTERNATIONAL COMPANIES AND FINANCE

CSR sheds its unloved reputation

Chris Sherwell on growth by one of Australia's biggest companies industry, but it now sees lim-

M R IAN BURGESS can scarcely conceal his pleased amazement at the good fortune which has embraced CSR, one of Australia's largest companies. In less than two years, mostly under his guidance, it has undergone a transformation more rand more dramatic and more profit able than he ever thought pos sible.

Gone are most of the costly resource assets which gave the group its unfortunate reputation among jaundiced investors and analysis in the early 1980s. Under Mr Burgess as manag-ing director, CSR has sold out of oil, gas, coal, tin and gold, realising A\$2bn(US\$1.4bn) in the process. It has spent the same

amount on investments at home and abroad, mostly in building materials - now the group's principal line of busi-ness - but also in expansion of its traditional sugar inter-

ests where CSR started in 1855, and its attractive aluminium The overall result is that

CSR is now estimated to be the world's ninth largest building materials company, and has joined Pacific Dunlop, BTR Nylex and Boral as one of Aus-tralia's few real industrial dar-

Earlier this month, Mr Burgess announced record after-tax profits of A\$147m for the Analysts are now revising

year, with some forecasting a

On the purchases side major developments have come in the US, Europe and Anstralia. The most significant was the Assoom acquisition in May of Rinker Materials in Florida. Coming on top of the US pur-chases of Southern Aggregates. Erome Aggregates and Mack Industries in 1987, CSR now has more quarrying assets in the US than in Australia. In Europe CSR has linked up with Redland of the UK to cre-

quoted in Australia and New Zealand, and is traded in American depositary receipt form over-the-counter in the

associate's inclories in Norway and the Netherlands pending completion of a plant in Bris-The move is not in preparation for an equity issue or placement in Europe. "This is a long-haul thing," eccording to Mr Burgess. "We don't need any fresh capital. In fact we're So pleased is CSR with prog-ress that the joint venture has decided to huild a second factory. At the same time it has taken in the UK operations of generating so much cash from our present businesses that we have to decide what to do with the Synkoloid plasterhoard company in Canada, acquired by CSR in late 1987 to expand its international presence in

The group has already made start on one option, which is the sector. The CSR-Redland link is also to give more back to the share-bolders through increased divibeing recreated in mirror-image form in Australia, where a joint brick and tile venture has just been established in which dends. The big issue now is whether to make another large CSR has 51 per cent. The next acquisition. Even a A\$1.5bn step is to rationalise its brick purchase would leave the group with a conservative gearing of 35 per cant. Mr Burgess is reluctant to let any fresh opportunity pass, but his preference is to spend interests, and lift them to the number one standing enjoyed by its plasterboard, insulation

and timber interests The group has undoubtedly gained from the upheaval of the local building products time settling things down after the intense efforts of the past

two years. On the asset sales side, the highlights have been the disposal of the Delhi Petroleum interests to Esso Austra-lis for A2964m, and of a clutch of coal interests to various buyers for a total of about

ate a joint plasterboard ven-ture in which it has a 49 per

cent stake. This is importing plasterboard to Britain from an

.

ited scope for domestic expan-sion against tough competitors like Boral and Pioneer Concrete. Ahroad, any further moves in Europe will be by CSR itself, but Mr Burgess says there is no question of a move on Redland or even a merger. In the US it is keenly inter· : : · · .

ested in Georgia Marble. If the longer-term future for CSR is clearly in building products, now contributing half its profits, what is the outlook for its sugar and aluminium interests? Mr Burgess has been incky that his restructuring has coincided with strong prices for hoth commodities. But they may not last.

But they may not last. in sugar, the big challenge lies in the deregulation of the Australian market next year. Analysts think CSR will profit strongly from the change, and that this will keep sugar within the group. In any case Mr Burgess is committed to it. We have an obligation to where the company started,"

he says. he says. Regarding the group's 70 per cent interest in Gove Alumin-ium, however, be acknowl-edges that this is a "fair-wea-ther asset" which might be sold one day under the right conditions.

The most important question about Mr Burgess and CSR is whether the remarkable improvements can be kept going. No one doubts the quality of the transformation he and his dozen key executives have wrought over the past two years. But after being given an identity and a direc-tion - and disposed of its worst assets - this old but new Australian company must now manage its strength. That could be far more tricky.

Brierley's IEL Telecom issue price is HK\$4.55 wins control of

By John Elliott in Hong Kong

placement and offer for sale of 877.5m shares by Hong Kong Telecommunications was formally unveiled yesterday. The issue at HK\$4.55 a share

amounts to 7.9 per cent of HK Telecom's issued capital, and the price compares with HK\$4.925 when trading was suspended on the Hong Kong exchange on Monday night. The issue has been com-

pletely underwritten and a total of 550m of the 575m shares to be offered in Hong Kong - which also embraces the UK institutional market have already been placed on a firm or provisional basis with institutions. Up to 105m of the

The sale price, which some brokers believe to be on the low side, was fixed last Monday when Hong Kong and other international markets were more depressed than they were yesterday. But Mr David Nendick, Monetary Secretary of the Hong Kong Government - which is providing half the shares on sale - said he was "pleased everything has gone links. so well."

Mr Peter Norris, director of Baring Brothers, the Govern-ment's financial adviser, said this was 'not an occasion for a headstrong approach" on the price. "This is the largest ever such offering by a single Hong Kong company, and it is also the first such exercise since resume this morning on the

Woolworths com was formed at the end of last year by a merger of Cable By Our Financial Staff and Wireless's two operating INDUSTRIAL EQUITY (IEL), subsidiaries in the colony, Sir Ron Brierley's Sydney-Those are Hong Kong Telehone, which runs domestic based company, has gainad telephones, and Cable and Wireless (Hong Kong) which holds the franchise for internacontrol of Woolworths, tha Australian retailer for which it launched a takeover bid 10 tional telecommunications

days ago. Woolworths, which is unre-The sale will bring down the combined stake of Cable and lated to US or British store chains of the same name, was Wireless (Far East) and its UK valued under the bid at some parent from 79 per cent to 75 A\$830m (US\$726.5m). per cent, and that of the Hong Hong Government from 11 per IEL already held a controvercent to 7 per cent. The general public stake goes up from 10 per cent to 15 per cent. Trading in HK Telecom will

sial 42.5 per cent stake when it launched the offer. Market purchases took it to 53.5 per cent by yesterday, and Mr Rodney Price, IEL chief executive, said in response to questions: That's game, set and match. Earlier the company had accumulated its strong minority presence in Woolworths through the purchase of large sharebolding blocks in Austra-lia and New Zealand. Yestcr-day it bought a reported 24.9m Woolworths shares at around the A32 st bid wice the A\$3.65 bid price.

 $A_{i}^{*} = A_{i}^{*} = A_{i$

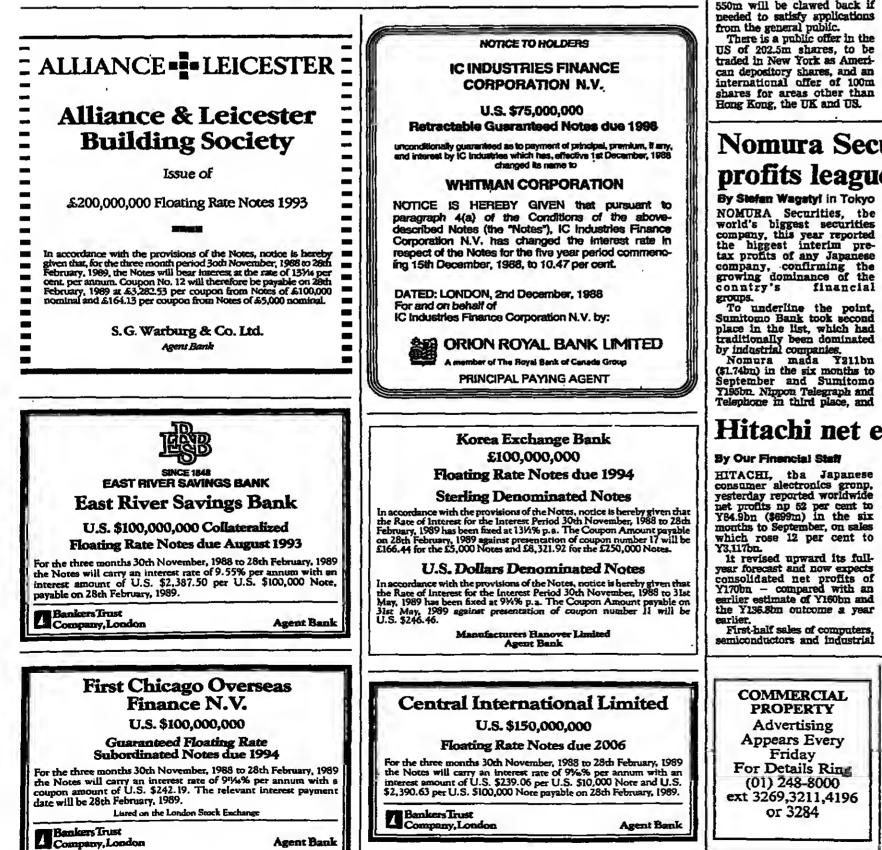
St. f. f.

IN Provide

.



TIS



shares for areas other than Hong Kong, the UK and US. Nomura Securities tops profits league in Japan By Stefan Wagstyl in Tokyo NOMURA Securities, the world's biggest securities company, this year reported the higgest interim pre-tax profits of any Japanese company, confirming the growing dominance of the constry's financial grouns. Matsushita Electric Industrial in eighth place were the only non-financial companies in the top 10. Lower down the list, compiled by Nihon Keizai Shimbun, the leading economic newspapar, comiconductor makers shot up the leagua table. They included Toshiba and Hitachi, the electronics groups. To underline the point, Sumitomo Bank took second place in the list, which had traditionally been dominated by industrial companies. Nomura mada Y211bn (\$1.74bn) in the six months to The biggest jump of all was recorded by Nippon Steel, which want from number 1,283 to 21, aftar turning around from loss to profit thanks to retionalisation and a size it September and Sumitomo Y195bn. Nippon Telegraph and Telephone in third place, and rationalisation and a rise in steel prices. Hitachi net earnings up machinery were hrisk; espe-cially in the domestic market, officials said. HITACHI, tha Japanese consumer alectronics group, yesterday reported worldwide net profits np 52 per cent to Y84.9bn (\$699m) in the six months to September, on sales Other positive factors were an increase in sales of higher value added products, as well as the lower prevailing interest which rose 12 per cent to rates which eased Hitachi's interest burden. Y3.117bn. It revised upward its fullyear forecast and now expects consolidated net profits of Y170bn - compared with an earlier estimate of Y150bn and Sales of information and communication systems and electronic devices, Hitachi's largest line of business, rose by a fifth to Y991bn. the Y136.8bn outcome a year Consumer products were up a bare 1 per cent to a total of First-half sales of computers, semiconductors and industrial Y508bn

Hong Kong exchange in Octo-

ber last year." The shares are being sold by Cable and Wireless of the UK and by the Hong Kong Govern-ment. The aim is to widen the company's local and overseas shareholder base in line with pledges made when HK Tele-

HALIFAX

BUILDING SOCIETY

£150,000,000

Floating Rate Loan Notes Due 1996 (Series A)

Credit Salar First Beatry Linded,

ni finin

Internal Astronom Bat 2019 December IIII par 5 520520 New CRL00229 Note

internet Particip

11.02%

£ 53.61 0536.07

200 Persentar 200

the crash and closing of the Hong Kong market. In the past two days the market has recovered some of the buoyancy it was showing last week, after two sluggish days on Monday and Tuesday. Yesterday the Hang Seng index gained 8.73 points to close at 2,668.03, after a day's turnover of HK\$1.17bn.

> This advertisement (which does not constitute an invitation to purchase or subscribe any accuritor) is issued in compliance with the requirements of the Council of The International Stock Exchange of the United Kingdom and the Republic of Insiand Limited ("The International Stock Exchange") Kidder, Peabody U.S. Dollar **High Yield Fund N.V.** Shares of Common Stock of \$1.00 each letted and **Fully Paid** ber of Sh 1,000,000 of Coll 750,000 nber of Share 1.000.000 of Preferred Stock 1.000.000

> Kidder, Peebody U.S. Dollar High Yield Fund N.M. (the "Fund") is an investment company whose primary investment objective is to achieve a high level of current income through investment in a diversified porticlic consisting primarity of U.S. dollar demoninated, Ngh yield, fixed income securities, such as bonds, debentures, notes, convertible debt securities and preferred stock of U.S. corporations.

Application has been made to the Council of The International Stock Exchange for the issued Shares of Common Stock of U.S. \$1.00 each of the Fund to be admitted to the Official List, it is expected that the application will be granted and that dealings will commence on 7th December, 1968.

Particulars relating to the Fund are available in the statistical services provided by Extel Financial Limited and may be obtained during normal business hours up to and including 6th December, 1968 from The Company Announcements Office, The International Stock Exchange, 46 Finsbury Square, London EC2A 10D and on any weekday up to and including 22nd December, 1968 from:

Kider, Peebody international Limited 107 Cheepel London EC2Y sDD

Cazenove & Co., 12 Tokenhou ee Verd, London EC2R 7AN. 2nd December, 1985

....

COMPANY NOTICES

CONSOLIDATED PRESS (FINANCE) LIMITED

US\$92,000,000

Subordinated Floating Rate Notes Due 1993 (the "Notes")

Guaranteed on a subordinated basis by Consolidated Press Holdings Limited

Notice is hereby given that for the six month Interest Period commencing 30th November, 1988 to 31st May, 1989 the Notes will bear a Rate of Interest of 10.25% per annum,

The Interest Amount payable on 31st May. 1989 will amount to US\$51,819.44 per US\$1,000,000 Note.

The Mitsubishi Bank, Limited London Branch 1 King Street, London EC2V 8LQ Agent Bank



tist.

INTERNATIONAL CAPITAL MARKETS

Securities **Retail accounts dominate** watchdog latest Eurobond issues investigates futures By Norma Cohen

By Chris Sherwell in Sydney

THE NATIONAL Companies and Securities Commission, Australia's securities market watchdog, has added an inves-tigation into trading on the Sydney Futures Exchange to its growing list of inquiries into controversial local busi-

ness dealings. The commission said yester-day the exchange and it had already conducted some investigations into the settlement of the September 10-year bond futures contract, and that it would now be conducting a pri-The move, a customary tac-tic to establish whether an offence has occurred and if so

The commission has also

said recently it was investiga-

ting several allegations of insider trading, including one involving a prominent Austra-

lian company. Regarding its hearing concerning the futures exchange, the commission said it would review certain aspects of trading in the futures and bond market around the date of satisfument of the contents.

of settlement of the September 10-year contract. Mr Henry Bosch, the com-mission's head, said the domes-tic and international reputa-tion of the futures market

could be "undermined unless a thorough investigation is undertaken by the commis-

For its part, the exchange was reluctant to impart addi-tional information because of

the sensitivity of the matter. One official played down its significance, calling it an "information gathering axer-

cise," which was not a legal proceeding. The exchange also refused to

comment on recently reported

suggestions by market partici-pants that there is a "well-or-ganised cartel of major deal-

ers," including at least one

major Australian bank and a large US bank, involved in the manipulation of key bond

inanipulation of key bond futures contracts. • Attempts by Mr Judge to regain control of Ariadne appeared to failter yesterday, when Magenta, a company he now heads, agreed to sell its fecently acquired 19.9 per cent holding to a subsidiary of Essention, controlled by Mr Malcolm Edwards. Essenten already controls

Essington already controls

bank, Rothwells.

roin the change at a group. In any ca e an obligation to to seek redress, coincides with other investigations into the affairs of Ariadne, the former vehicle of New Zealand's entrepreneur, Mr Bruce Judge, and the failed Perth merchant

ng the group's de rest in Gove Almo t this is a "faires et "which might is des unvies the sta day under the the

MBER 2 1988

ttion

npanies

at it now sees in for domestic expec-tion domestic expec-tional competition mad, any forther found, any forther found Mr Burgess sin question of 2 minute i or even a more it is too.

guestion a neight

autor term future be irly in building but contributing built i at is the outlook a set aluminium in

nd similaria Burgess has been t als restructuring the with strong both commoditien my not last

nay not last r, the big challent i deregulation of the

market next in Mink CSR will pro-

iž is keeniv sorgia Marbie

ICE

Burgess and CE is the remarkable ments can be intro one doub's the state te transformation b an key executive ought over the se its. But after ben i Mentity and a die and disposed of t mets - this old be stralian company ner nege its strength The ": . far more tricky.

rley's IEL i control of **Diworths** r Fimencial Staff

TRIAL EQUITY OF m Brierley's Star company has ser I of Woolvorths 5 Han retailer for which and a takeover his

worths which up to US or British m of the same name . prunder the bid as m a GUSSTALLTIN sineado bali a contra S per cert stake that and the offer. Maring i Anak 1: 10 552 20 2 sterday, and M: Liz-MOORSE to Question 's game, set and min Her the company h ndated its strong III remance II Weeking the the purchase of its bolding blocks in All and New United Ver

an 18.7 per cent stake in Arisidne, and Mr Edwards is on its board. Ariadne is currently undergoing a major restructurng after. rep losses in the wake of last

BUROBONDS for retail carries a coupon of 7% per cent accounts dominated the new issues calendar, with deals emerging in Antipodean car-rencies and Ecu, clearly aimed at the proverbial Belgian den-tist

But dealers noted somewhat cynically that while pockets of genuine retail demand do exist at this time of year, the Euro-bond market's League Table day of reckoning is fast approaching, possibly prompt-ing firms to bring issues to market in hopes of bolstering their standhars

their standings. By the most recent calculations, there is only about \$6m in new issue volume between the sixth and 12th place firms, making the race to year-end

very tight. To be fair, all the deals To be fair, all the deals hrought yesterday appeared reasonably priced and in sec-tors for which real buyers exist. But dealers expect to see an increasing number of "tar-getted" issues for small pock-ets of investors between now and bear-end. and year-end.

The largest deal of the day was a five-year Ecul00m for Eurofima, the European rolling stock corporation. The issue, lead managed by CSFB,

INTERNATIONAL BONDS

Adding to the glut in the Ecu sector was an Ecu50m three-year deal for Crédit Local de France, the fundraising agency for local authorities. The issue, fungible with a previous Ecul50m deal, carries a coupon of 7% per cent and is priced at 101, yielding about 7.70 per cent - nearly 30 basis points more than that of the existing cent issue. While the latest deal was lead managed by Crédit Commercial de France, the original deal was lead managed by Ban-que Paribas Capital Markets. The Ecu sector is already carrying more paper than investors can absorb, but the new deals

new deals are probably prompted by the ample swap opportunities into floating-rate funds. Dealers estimated that

Sorrouger	Amount m.	Coupon X	Price	Maturity	Fees	Book number
US DOLLARS						
IBJ Int. Ltd.(d)	50	912	102	1998	2/11/2	IBJ (Asie)
Nippon Zeon Co.P	100	(434)	100	1992		Nomura Int.
Yukong Ltd.†	30	(a)	100	1996	50/20bp	Baring Brothers
AUSTRALIAN DOLLARS					_	
Toronto-Dominion Bk	. 75	1458	101.70	1991	14/34	Salomon Brothers
Issue increased:						
Skopbank (Cayman Is)(c) 🔶	75	1434	100.95	1989	1/58	Banque Paribas
NEW ZEALAND DOLLARS						
Cr. Lyonnais A'tralia	50	144	10134	1992	11/2/1	Hambros Bank
D-MARKS						
Storebrand Finans**	50	5 ¹ 2	10012	1991	138/1	Commerzbank
SWISS FRANCS		.			¢	
Province of Manitoba+++	100	43 ₈	10012	1993	n/a	UBS
ECUs					_	
Cr. Local de France(b)	50	758	101	1992	158/1	CCF
Eurofima	100	758.	10112	1994	178/14	
LIRE			_			
Olivetti Int.	100bn	11%	101 3	1993	15e/14	Credito Italiano

FT INTERNATIONAL BOND SERVICE

Listed

Listed are the latest inter	nationa	l bon	ds for	which t	here is	an adequate secondary mark	et.				
								posing	orices o	n Decemb	er 1
US DOLLAR			C		·	the second se					-
STRAIGHTS	Insure I	Bid	Offer	day wet	k Yield	YEN STRAIGHTS	Termed	Bid		ey week Y	letd
Abbey National 712 92	200.	934		+05 +04		Beigium 51 92	55	1023		04 -04 4	
Amer. Brands 8 % 92	150	195		+0 4 +03		Belgium 45 94	45			04 -04	
A/S Eksportfinans71 92	150	935			9.63	Canada 41 92	80			-00	
		4005	1011	101 101		(Elec, De France 54:94	20.	1014	1071	4 04	1 79
		193 4	931	101 101	0 38	Ireland 51a 93	30	2001.	2003 +		
British Telecont 75 96	250	89-			9.56	Norway 54 95	50	1071.	TO17	1	1 94
Cai.Nati, Telecon 812 93	160	954		+04 +04	0 40	Rep. of Italy 54 92	150	1021	1021	4-04	50
Canada D Of	1000	98-	001		0 20	Such as 02	50	001	102 1	1 - 2 - 2	
Canada 9.96	1000		1001	+01 -01	1.2.20	. , Sweden 451 93.		1021	77 % 1	4 -04 4	1.1.1
Canadian Pec 10 4 93	1007	101 3	10212	0-04	2,111,14,	World Bank 512.92	50	.10.3/	103.7 +0	4 -04	20
. G.L.L.L. 94 90	300	96 -		+04 +04		Average price change.	., Qa da	1) +07 ^a	on week	-04	
C.N.C.A 93 93	150	19912		+03 +03							
Cordit Lyonnals 9.91		99	77-1	+04 +04	9,41	States and Annual States				196 AN1	
Credit National 84 93		95-		+04 -04		OTHER STRAIGHTS	Issued	Bid		ry week YI	SIR.
Gredit National 75 92		934		+0% +0%		Abbey Nat. 85.104 93 E.	50	971	973	0-1421	
Credit National 73 91	150	944	9412	+0% +0%	9.51	Alg. Bk, Ned, 54 92 FL	150	98-	99 h	0-04 5	
Dal-Ichi Kan 95 92	150	2007	1005a	+04 +04	9,48	Alg. Bk, Ned, 54, 93 FL	200	981	994	0 +0 - 6	
Desmark 74 92	500	934	935	+0% +0%		Amro Bank 64 92 FL	150		1014	0 0 5	
E.E.G. 7 91.	100	934	943	+01 4	9.33	Aust_Ind. Dev. 127 93AS	200	96 %		0-04 13	
E.E.C. 74 93	. 250	92	93	+04 -03	9.41	Barc. 8k, 104 97 5	.250	94	941 -0	1 - 21 11	L.29
E.E.C. 8 90	350	974	98	+01- 0	9.30	Barclays Aus. 1312 91 AS	200	992	100-0	1, +04 13	3.57
ELB. 75 93	200	924	93	104 -04		BP Capital 95 93 £	200	9412	95	0-14 11	
£1.8.93 97	150	198-	991	+04 -04	9.53	British Alrways 10 98 £		913	924 -0	4 -14 11	43
Elec. De France 998.		96	96.4		9.64	Belymann-Tet. 6% 93 FL	100	100%	1002	0 +0 - 6	20
Finland 7 3 97		90%		+04 +04		Comrs. Bk. Aust. 125 9345	100			4 +04 13	
Fintand 71, 93	200	92		+03 +04		Coop. Ctr. Rabo. 64 93 FL		100%			.03
Finn.Exp.Cd. 812 92		965	971		9.62	Coop.Ctr.Rabo.692 FL		2003			1.83
Ford Motor Credit 8 91		96-		+0-1 +0-1		Denmark 75 92 ECU		1025		0-04 6	
			100%			· Dixons 11 95 £	90	102-3	1024	0-0-1 0	
Gen Elec Credit 104 00	200				10.21				401 4		- 04
Gen. Mtrs. Corp. 94 92	200	983		+0% -0%		Deut. Bk.Anst. 123 95 AS	70	994	994 -0	0 12	
Hallfax BS 91 93		1994		+0% +0%		Eastman Kodak 13 90 AS	200	963		4 -04 14	
IBM Credit Corp. 83 91	250	981	994	+0% +0%	9.27	E.I.B. 7 96 LFr.	100	1981	994	0-04 7	22
italy 9 90	1000	993		+04 +04		Elec.France 104 95 CS		1991	994 +0	0-04 10	33
Lib. Mutual Cap. 93 93		984		+0 2 +0 2	9.55	Euratom 75 97 ECU	145	963	96 2	0-02 7	. 99
LT.C.8 of Japan 8 91.		965		+0% +0%		Fed. Brs. Dv. Bk.94 92 CS	75	1972	98 +0		
L.T.C.B.of Japan B 97		904		+05, +05		Ford Cr. Can. 104 93 CS	100	1100	1002 +0	4 010	
Mercus-Benz Cd. 812 95		1941		+04 +04		Gillette Can. 95 93 £	70	924	92-2-0	4 -24 11	
Metropolis Tokyo 912 93			1004 -	+04 +04		G.M.A.C. 94 93 CS	150	1974	974 +0	4 010	
Morgan Gearanty Tst. 7 90		963	974		9.66	G.M.A.C. 94 92 CS.	75	t95	96	0 0 10	
Norway 84, 93	500	973	984 ·	+04 -04	9.35	6.M.A.CAss.Fin.14 90 A5	50	994	1004 +0	h +012 13	.64
Peosico inc 7 - 93	200	191	93 5	+04 +04	9.76	Hailfax BS 103 97 £	100	944	95-0	4 15 11	
Portagal 81 91	300	964	974	+0% +0%	9.72	imp Chem inds 10 03 £	100	- 94	945 -0	4 -03 10	.81
Prodesitial Cro. 84 94	125	97		+03 +05		Inv. Industry Int. 10 93 E	60	95	954 -0	4 -15 11	.44
Quintas Airways 10% 95	140		203		9.64	Lloyds Bank 101 98 f	150	9212	93-0	4-14 11	.54
Rep. of Italy 912 95.	1000		1004		9.50	Montreal Tst. 104, 93 CS	100	1994		4 -04 10	
Saskatchewan 104 92	100	103 5	104	+04 +04		Nat. West. Bk. 134 92 AS	50	1993		4 +04 13	
State Bk 5 Aust 94 93	100	9812	991.	103 104	9.60	Nationwide BS 10 - 93 £	75	941	951 -0	4 -14 11	62
Sumitorio Bank 93 92	150	300	10012 -	-03-		Ned. Midd. Bank 6 92 FL	150		100 -	0 +0 4 5	
Swed Exp Cred 7 - 91		1944	64.5	104 104		New Zealand 912 93 5	100			4 -15 11	
Swed Exp Cred 10 92		1001		+04 -04		New Zealand 7 4 93 ECU.	200	2001	1011	4 +0 4 7	49
Sweden 7 91		941		+04 +04		Oesters, Kable 134 94 AS.	75	1001	1011	4 -04 13	30
		193		+03 +04		Philips Gleoti. 6 93 FL	300	1003	1001	0 +0 - 5	93
Sweden 7 92		96		103 104 103 104		Prodential Fig.93 07 English	150			4 -04 10	
Sweden 84, 96.		197 -	001	+04 +04 +04 -04		Royal Bk.Scot_10 - 98 £	125	943	95	0-14 11	
Sandles 81 92	150	1061	1051			Saskatchewan 93 91 CS	150		001	4, +05, 10	
Victorian Rep 11 % 92		1007	m2.4	+0% -0%		508 71 04 CM	90	1995	1001 10	0-01 7	76
World Bank 7 92	300	1932		105 0		S.O.R. 74 95 ECU					
World Bank 997	300	774	97-	+0%		World Bank 51 92 FL.	100	993	1004	0.05	
Yasuda Trust Fia 812 93 Average price change	100.	101	10.1	104 0	9.74	World Bank 13 92 AS	100	1100	0012	0 +0% 13	
 Average price change 		y +04	00 WC	EK 40		Zestropk. 134 93 AS.	75	70-2	774 +0	4 +04 13	-30
DEUTSCHE MARK			-			FLOATING RATE					
CONTRACTOR INCOME	Transf	-			Winter'	MITES	Saraad	Eld	-	Catte C.o	-
STRAIGHTS	THE R. L.		white,	they week	TROUT	100 C C C C C C C C C C C C C C C C C C	100 100		uner		

Eurofima may have swapped into funds at up to 40 basis points under London interbank offered rates.

The Australian dollar sector saw yet another deal, this one a A\$75m two-year deal for **Toronto Dominion Bank's Cay** man Island branch, lead man-aged by Salomon Brothers. It carries a coupon of 14% per cent and is priced at 101.70 per cent to yield 65 basis points over Australian government

bonds. Also, Crédit Lyonnais Aus-4 tralia tapped the New Zealand dollar market, issuing via Hambros Bank a NZ\$50m three-year bond. The issue carries e coupon of 14% per cent and is priced at 101%. While the New Zealand currency has not seen the rapid appreciation in recent weeks that has boosted its Australian counterpart, the country's declining hudget deficit and inflation rate make its bonds attractive. Among other sectors of the primary market, a new L100bn issue emerged for Olivetti International. The four-year deal, lead managed by Credito Italiano, carries a coupon of 11% per cent and is priced at 101%.

'The year 1988 will be
assured of a unique
place in the history of
Tate & Lyle. It marks
the dramatic enlarge-
ment of the Group
geographically and
by product line."
Neil Shaw

هكنامنالأجل

Chairman & Chief Executive

III Turnover up	23%
Profits up	31%
EPS up	24%
Dividends up	13%
• Change	

Share split - 4 for 1

Successful Staley acquisition

Strengthened links with CST



29

THE YEAR	R IN BRIEF	
	1988	1987
Turnover	£2,088m	\$1,701m
Profit before tax	<u>\$120.1m</u>	<u>\$92.0m</u>
Attributable profit	£70.2m	£52.7m
Fully diluted		
earnings per share	88.6p	71.5p
Dividends per share	29.5 p	26.0p
Dividend cover	3.3 times	2.9 times

Preliminary announcement of results for the period ended 1st October 1988

Copies of the Annual Report for the period ended. 1st October 1988 will be mailed to shareholders shortly and will be available from CP McFie, Secretary, Dept. F.R.A., Tate & Lyle PLC, Sugar Quay, Lower Thames Street, London EC3R 6DQ.

This advertisement has been approved for the purposes of section 57 of the Financial Services Act 1986 by Touche Ross & Co. who are anthorised by the Institute of Chartered Accountants in England and Wales. It must be stressed that the value of investments can fail as well as rise and that the past is not necessarily a guide to the future,

.

Merloni Elettrodomestici

. . ..

(bought a reported 22 year's stock market crash. Magenta acquired the 19.9 marths sharts at 255 ALL DI DIOL WHERE & SUPPLY A

the Links hundrer and the

U.S. Dollar nd N.V. t of \$1.00 each des parase Fully Part

> 150.000 - ----

WINN OW THE AF MART OF BEST Management of a Constant

WERE C CONTRACT2 101 The sec 575 + 50 IN BROCK OF LS STITES

Land, 7 10 62-00-000

the stars of and No be about the state 100 LC .

OTICES

MNANCE LINETE

1000 Refer Notes

"Notes"> Cinated bass by obtions Limited

States Succession Also Mar. ides. They are attacked

Land BON SE

per cent stake from Mr Larry Adler's FAI Insurances, which sold it for A\$84.6m (\$74.2m), well above market price, subject to a number of compli-cated conditions. The latest deal is subject to the approval of Ariadne shareholders. **Eulabank raises** \$205m for loans provisions By David Lascelles, **Banking Editor** EULABANK, the London-based consortium bank specialising in Latin America, has raised an additional \$205m in capital from its shareholders to enable

Victorian Rep 11 % 92...... Victorian Rep 11 % 92...... World Bank 7 92...... Vasuda Trust Fin B % 93...... Average price change... it to increase its provisions against Third World loans. The capital was raised in the DEDTSLEPE MARK STRAIGHTS: 1 Asian Dev. BK. 6 94...... Bank of Tokyo 54, 92...... Combrail 8K. Turkey 7 92..... Combrails K. Turkey 7 92..... Combrails and 6 9 97.... Degessa Int. 6 9 97..... form of non-cumulative irredaemable preferred stock (Nips) which is admissible as Tier I capital under the recent Basle agreement on bank capi-tal standards.

Mr George Gunson, the hank's managing director, said yesterday he believed it was the first issue of its kind to be

completed in the UK. Although Bank of Scotland has announced an issue, it has yet

to go through. Eulabank is owned hy 11 banks in Europe and 11 in South America. Earlier this year it received a special \$250m deposit from them to help it meet the provisions required by the Bank of England

permanent capital could be

All but three shareholders

Eulabank said its profits after tax for the year ending Septem-ber 30 would be \$2.5m, com-

pared with a small loss the

arranged

bank's exposure.

year before.

E1.B. 61, 97. E1.B. 61, 95. Euro. Coald. Steel 51, 97..... Euro Diald. Steel 51, 97..... Euro Diald. Steel 51, 97..... Euro Diranois 51, 97..... Forsmark Krig. 51, 93.... Japan Dev. Bk. 51, 95.... Japan Person, Bk. 51, 95.... Mataysia 61, 94... Nat. West 8K. PLC 6 98... NH L. Finance 61, 95.... NH L. Finance 61, 95.... NH Dev. Finance 61, 95.... Desters. Konthk. 593..... Partugal 51, 92...

Portugal 54, 92..... Portugal 64, 95..... Privatbanken 54, 93. Royal Insurance 512 92...... Soc Cent Nuclear 71, 95..... Turkey 612 95..... Westlb. Finance 593. World BK. 61, 97..... matrix. But this was only a temporary measure until more

WISS FRANC RAIGHTS Ican Dev. Bk. 5 %. Lefining 5 03..... 8. F. C. E. 4½ 98...... 3. M. W., Fin. Neth. 5 13.

3e... On day +0 on week -03 Themps on Issued Bid Offer day week Yield ... 150 +101.101+ -01s -01s -01s -4.80 ... 150 +101.101+ -01s -01s -4.83 ... 200 +981, 991s +03s +03 + 453 ... 150 +961s +01s +01s +5.25 ... 100 +9775 -96 0 -012 4.80 ... 125 +9935 100 0 +03 + 3.03 ... 100 +9775 -96 0 -02 5.01 ... 150 +961s -961s -01s -01s 4.87 ... 200 +971s -98 +03s -0 4.67 ... 150 +961s -961s -01s -4.84 ... 200 +981s -01s -01s 4.86 ... 200 +981s -99 0 0 4.44 ... 75 +1001s -101 +01s -01s 4.86 ... 150 +77 97 7 0 +01s 4.42 ... 200 +961s -961s -01s -01s 4.32 ... 150 +1001s -01s -01s 4.32 ... 150 +1001s -01s -01s 4.32 ... 200 +965 -961s -01s -01s 4.32 ... 150 +1001s -01s -01s 4.32 ... 200 +965 +961s -01s -01s 4.32 ... 200 +965 +961s -01s -01s 4.32 ... 200 +965 +061s -01s -01s 4.33 ... 200 +965 +061s -055 have subscribed the new Mips, in proportion to their share-holdings. The other three have helped out by buying \$115m of Britannia B/S-44, 94... CIR, Int. W/W 3 93..... CiR, Ist, W/W 393..... Credit Lyosnals 4% 00...... Fletcher Chall, 4% 98..... Kobe City 4% 98..... Leds Perm. B/S. 4% 93.... Mataysla 5% 98.... Maxwell Comm.Cr. 5 95.... Mathematical B/S. 493... Nippon Telg. & Tel, 4% 95.... Cesters, Kub, 5 03... Reg. National Bit. 4 93..... Eulabank's loans instead. The Nips is non-interest-bearing and undated. Mr Gunson said the issue has brought the bank's risk asset ratio up to 20 per cent, and enabled it to

raise provisions to the equiva-lent of 28-29 per cent of the lational Bk. 4 93..... and 45₈ 95..... I Bank 5 03..... In connection with the issue,

Average price change

Reproduction in whole or in part in any form not permitted without written Opta spontied by DATASTREAM International

PLATTING RATE FLGATING RATE MOTES Alliance & Letc. Bid 94 S...... Beiglam 91 US. Britamia 5 93 E. Chase Manhattan Crp. 91 US... Chucar 98 US. Credit. Foncler 98 US..... Fell, Foncler 98 US.... EEC 3 92 0M. Halifax B 54 S. Jave, In Indestry 94 S. Leeds Pern. 8/S, 94 S. Mite Mine. Brd. 593 S. New Zealand 5 97 F. New Zealand 5 97 S. New Zealand 5 95 S. Woolwich 5 95 S. Average price change. 0
 Samuel
 Birl
 Offer
 Cafte
 Cape

 .08
 99.67
 99.72
 21/01
 10.99

 0
 100.16
 100.26
 21/02
 9

 0's
 99.91
 99.96
 10/01
 12.12

 0's
 97.91
 99.96
 10/01
 12.12

 0's
 97.37
 97.62
 20/11
 8.94

 .04.9
 97.37
 97.62
 20/10
 54,

 .05.3
 97.64
 97.42
 20/10
 54,

 .05.3
 97.64
 97.42
 20/10
 54,

 .05.3
 97.64
 97.42
 20/10
 54,

 .010.02
 100.07
 13/01
 10.44

 .04
 100.02
 100.07
 13/01
 10.41

 .04
 99.95
 97.97
 12/02
 12.06

 .07
 100.08
 100.05
 10/01
 12.12

 .05
 99.95
 99.97
 19/02
 8.87

 .05
 99.80
 99.84
 665656555565656666555 66565655556566666555 Average price cha
 Stange_
 On
 day
 +0.01
 on
 week
 -0.1

 Gate,
 Care,
 Care, Chp. y day Pres 4, 40% 19.41 b 0 -1.49 7, 40% 6.16 4, 40% 7.70 1, 40% 7.70 1, 40% 7.54 1, 50% 7.54 1, 50% 7.54 1, 50% 7.54 1, 50% 7.54 1, 50% 7.54 1, 50% 7.54 1, 50% 7.54 1, 50% 7.54 1, 50% 7.55 1 CONVERTIBLE 5.28 6.19 5.65 5.20 6.57 6.93 5.23 6.00 +1 5.80 +0% 4.88 +0% 13.61 -1% -1.37 +0% 51.55 -0% 7.66 -0% 19.67 -0% 29.28 +0% 66.60 +0% 34.43 Omron Tatetsi 21g 02 US. Primarica 51g 02 US..... Radics Hovis 41g 03 £..... Rediand 71g 02 £. Stantpild,Stahl,61g 03 £. Texas inst, 21g 02 US.... W.R. Grace 61g 02 US....

• No information available-previous day's price

† Only one market maker supplied a price

pads. The yield is the yield to redemption of the mid-pu ant issued is in millions of currency units except for nere is in billions. Change on week - Change over pri-ture to be billions.

week earlier, loating Rate Notes: Denominated in dollars unless otherwise Indi-cated. Coupon shown is minimum. C.dte = Date pert coupon become effective. Spread - Margin above six-month offered rate month; gabove mean rate) for US dollars. C.cpn - The

coupon. unwrtible Bonds: Denominated is dollars uniest otherwise indicated. Chy. day = Change on day. Chy date = First date of conversion into shares. Cov. price = Nominal amount of bond per share expressed recurrency of share at conversion rate fixed at issue. Prem = Percent age training of the conversion rate fixed at issue. nium of the corresteffective price of acquiri or the most recent price of the shares.

1

Viale Aristide Merloni 45 60044 Fabriano (Italy)

NOTICE TO THE BOND-HOLDERS OF MERLONI ELETTRODOMESTICI BONDS 7% 1987/1991 CONVERTIBLE **INTO PREFERRED SHARES**

We hereby inform the holders of Merloni Elettrodomestici bonds 7% 1987/1991 that, according to Article No 5 of the loan regulations, the conversion of bonds into unconvertible Merloni Elettrodomestici preferred shares will take place from December 1st to December 31st 1988, at the rate of one share of Lire 1,000 nominal value for every convertible bond of Lire 1,500 nominal value.

The preferred shares resulting from the conversion will bear interest from January 1st 1989, whereas the converted bonds will cease to bear interest from December 31st 1988.

Bond certificates presented for conversion must bear coupon No 3 and the following coupons; the amount of the coupons that should be missing have to be paid by the bond-holder.

Application for conversion may be presented to either:

- the company's head office at Fabriano (Italy) Viale Aristide Merloni 45, att. "Cassa Sociale" or;
- to the following Banks:

Banca Commerciale Italiana - Banca Nazionale del Lavoro - Banca Nazionale dell'Agricoltura - Banca Popolare di Ancona - Banco di Napoli - Banco di Roma - Banco di Sicilia - Cassa di Risparmio di Fabriano e Cupramontana - Credito Italiano - Istituto Bancario San Paolo di Torino - Monte dei Paschi di Siena - Monte Titoli S.p.A. (for the stocks administered by Monte Titoli).



♦ indesit

INTERNATIONAL CAPITAL MARKETS

Japanese CP poised for takeoff

Stefan Wagstyl looks at the market's growth, boosted by zaitech

J apan's fast-growing com-mercial paper market, which plays a key part in mittech - Japanese-style corpo-rate financial investment - is to get a boost from the authori-

30

The number of companies permitted to issue paper is to be increased later this month from 200 to 450, according to measures announced yesterday by the Japanese Ministry of Finance. The ministry is also expected to double to 120 the allowed to issue paper without a back-up credit line. Dealers believe the measures

will give a kick to a mark which has already expanded much faster than expected. The outstanding balance in the market on Wednesday, the last day of November, was just under Y8,000bn (\$65.7bn), com-pared with forecasts of about Y3,000bn made when the mar-

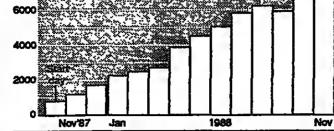
ket was launched a year ago. Now, the Long Term Credit Bank, Japan's largest CP underwriter, says the market could grow to Y20,000bn in two or three years. Mr Katsufumi Ochi, s deputy general man-ager at the bank, says: "The market has moved far faster than we projected a year ago." Ths reason is zaitech, the

business of investing corporate funds in financial markets. Zaitech got a bad name last year after Tateho Chemical, a chemicals company, had to be rescued by its bankers when it suffered big losses in bond futures. Later, there were fears that companies were making reckless speculative invest-ments in the heady pre-crash stock market - often with borrowed funds.

The hulk of zaitech was always concerned with making

11



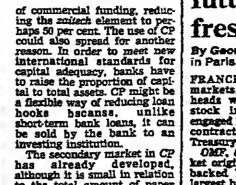


particularly tightly squeezed because they could hope to win business only from those top-tier companies which did not need a back-up credit line from a back to issue another relatively safe investments in the money markets. Companies exploited their high creditworthiness to raise funds cheaply in one market and re-invest them in another where yields a bank to issue paper. Since then, underwriters have been forced to pay more attention to margin than marwere higher.

The safety first policy was reinforced by the plunge in equities last October. This set the scene for the CP market, launched in the doom-laden atmosphere of November. As banks and securities compa-nies swung into action, they offered cut-price rates to companies to tempt them into using the new market. Companies jumped at tha

chance to make risk-free returns of nearly to 0.5 per cent. They were able to issue paper at 4.0-3.9 per cent and put the money on deposit at 4.4 per cent. Even though banks can raise funds even more cheaply in the

tightly regulated and exclusive interbank market, some underwriters were losing money in the early days of CP. "They were called harakiri issues," says Mr Ochi at LTCB. Securities companies were



be sold by the bank to an investing institution. The secondary market in CP has already developsd, although it is small in relation to the total amount of paper outstanding. About Y2,000hn of the total of just under Y8hn is estimated to have changed hands at least once since it hands at least once since it was issued

However, the secondary market could get a big boost when the Bank of Japan starts operating in the market as It has promised to. Buying and sell-ing by the central bank might easily encourage holders to ket share and the returns trade more often. Whatever happens, competi

available to the Zaitech players have shrunk to 0.1-0.2 per cent. tion between underwriters is Bnt this is still attractive likely to remain tough. It is the first time that Japanese banks enough to the issuers. Dealers estimate that some 70 per cent and securities companies have of the issues raise money for been permitted to compete with each other head-on in a zaitech. Among the largest issuers are companies which domestic market. So far the were previously among the banks are the clear winners, with the securities companies' most aggressive zaitech inves-tors in the securities and share of the action falling recently below 20 per cent. But the securities compa-

Mr Ochi says that zaitech would continue to play an nies, led by Nikko Securities, the most active CP under-writer, complain that they are mportant part in the market as long as there is a margin between interest rates in the being forced to fight with one hand tied behind their backs. CP market and on bank depos-The extension of the number of However, as the number of companies allowed to issoe companies permitted to use the market grows, so CP could become a more popular source paper without bank credit lines should shift the ground a little in favour of the stockbrokers.

Rival French futures in fresh battle By George Graham

FRANCE'S rival futures markets, already at logger-heads with their competing stock index futures, have engaged in a new battle over a contract based on five-year

Treasury bills. OMP, the screen-based market originated in Sweden and backed by five of France's largest banks, was the first to seek approval from the fintures market regulatory authorities for a contract based on the five-year BTAN annual coupon

The older established Matii market, which operates on an open outcry system in the stock exchange building in Paris, immediately followed suit with proposals for a similar BTAN contract. When the Matif and OMP

were seeking official anthoris ation this summer for their stock index future contracts, the Government let both go shead and allowed the market to decide the winner. For the BTAN inture, how-

ever. Paris bankers believe only one contract can be allowed to go ahead.

The cash market in BTANs, with FFr256bn (\$43.3bn) in issue and daily volume of around FFr5bn, is substantial. There is also a large, though illiquid, market in BTAN options. The future, neverthe-less, is a product likely to introduce only a relatively small number of bank treasurers, and there is unlikely to be room for two contracts in the market place, as there appears to be for stock index futures. In the second place, the rival contracts are almost identical,

whereas the stock index contracts are at least based on dif-ferent indices, allowing arbi-trage between the two. Thirdly, the French Trea-

sury is anxions to avoid another flop for a contract based on its own debt, like the barely traded Matif threemonth Treasury bill contract. It is therefora expected to approve only one contract. Some bankers feel that the

rivalry between the Matif and OMF has gone too far, and hope the two will reach agree-

French bond issues rise above borrowing target

agreements today over 33 and 61 days. Some DM13.6bn of 30-

day repurchase agreements are

UK GOVERNMENT bonds

closed mixed, with long-term

prices falling as much as % points and short-term rates

In short, dealers said, the disparate performance of the

expiring.

By George Graham in Paris, Katharine Campbell and Norma Cohen in London and Roderick Oram in New York

THE FRENCH Treasury on Tokyo. yesterday sold FF19.3bn of government bonds at its regular monthly auction, with rates

GERMAN government bonds opened strongly, mainly on the back of the New York market, The auction takes total bond issues for this year to FFr116.2bn, above the total state borrowing target of GOVERNMENT FFr90hn to FFr110hn. The FFr90hn served was at the top end of the bracket of FFr7hn to BONDS Firsh announced for the auc-tion, with an additional FFr316m served in non-compet-tive bids from primary dealers hut ran out of steam by the afternoon. Government bonds,

or Bunds, ended up to 15 basis points higher thanks to sup-port from the futures market and central banks. Interest focused mainly on the OAT 8.7 per cent 1995, with in London, but the medium-term notes or Bundesobligati-FFr3.9bn served in the auction. Another FFr223m was taken up in non-competitive bids at the onen, closed about unchanged. The Bundesbank was said to have sold some DM355m of weighted average yield of 8.55 per cent, just 1 hasis point higher than at the last auction DALOG NO. 10 Solution of the medium-term notes. The central bank is performing US-style repurchase

bigher than at the last auction of this bond two months ago. The Treasury also sold FF125bn of the OAT 8.5 per cent 2012 at an average yield of 9.16 per cent, and FF12.6bn of the floating rate TRB 1993, at a margin of 8 basis points above the average yield of the weekly Treasury bill auction, with a further FF153m in non-compet-itive bids. itive blos.

JAPANESE government bonds rallied in Tokyo yesterday, with yields on the No 105 benchmark bond closing roughly 5 basis points up, yielding 4.51 per cent. Traders ascribed the rally both to receding fears of a US discount rate rise and to pessimism as to the durability of the agree-ment by the Organisation of Petroleum Exporting Countries

Speculation as to when the No 111 bond will become the benchmark was rife on Wednesday, when turnover in the issue was roughly half the Y2,000hn volume seen in the No 105s. Turnover yesterday in the 111s slipped to about Y662hn, while volume in the No 105 remained constant, Subsequent trading in London was lacklustre and yields on the benchmark closed unchanged

tors had moved out along the yield curve, believing that the UK Treasury's tough anti-inflationary stance would help interest rates to come down in years abead.

WALL STREET bond markets while Single unchanged yestorday while investors and traders waited for this morning's release of US employment data

for November. Investors are hoping the data will help settle the debate in the market over whether the Federal Reserve will tighten monetary policy The markats are expecting

The markats are expecting the data to abow the creation of some 210,000 to 250,000 jobs last month which would leave the US unemployment unchanged at 5.3 per cent. Prices were unmoved hy publication yesterday of the latest index of leading eco-nomic indicators, which showed a 0.1 per cent rise in October from a month earlier, in line with forecasts. Five of nine components of the index nine components of the index fell.

The market took no comfort from the downward revision of September's figure to a 0.3 per cent fall from 0.1 per cent, indicating a slight slowdown in US economic activity. The fig-ures are too uncertain, how-

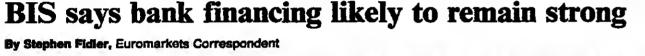
ever, to give any firm trend. By early afternoon, the price of tha Treasury's benchmark 30-year bond stood at 9914, yielding 9.05 per cent, off 1 of s point from the opening.

BENCHMARK GOVERNMENT BONDS

		Coupon	Dete	Price	Change	Yield	Week	Month
UK GILT	B	13.500	9/92	107-18	+0/32	11.00	10.47	10.07
		8.750	9/97	91-22	+5/32	10.21	8.93	9.56
		9.000	10/06	97-24	-9/32	9.25	9.17	8.96
US TREA	SURY	8.875	11/98	98-29	+4/32	0.04	0.11	9.04
		9.000	11/18	99-18	+ 8/32	9.08	9.14	9,14
JAPAN	NO 106	5.000	12/97	103, 1185	+0.363	4.51	4.53	4.65
	No 2	5.700	3/07	108,8759	+0.422	4.70	4.82	4.90
GERMAN	Ý	8.750	6/96	102.3250	+8,125	8.44	6.40	8,29
FRANCE	BTAN	8,000	10/93	97.9377	+8.057	8.52	8.55	8.37
	OAT	9.600	5/96	304.8000	+0.075	8.71	8.77	8.50
CANADA		10.250	12/98	101.2500	+0.250	10.06	10.09	9.81
NETHERL	ANDS	8,7500	10/98	102,1000	+0.020	6.63	6.46	6.33
AUSTRAL	.IA	12.500	1/98	99,7691	-0,428	12.53	12.27	11.90

Technical DetelATLAS Price Sources

PUTS



ite

BUOYANCY in international securities markets and a slowdown in new bank lending probably do not imply a resumption in the trend towards disintermediation the marked shift from bank to securities financing avident internationally in the years to 1987, according to the Bank for International Settlements.

This is the conclusion of the tinne to support continued latest BIS quarterly report on bank intermediation;

international hanking and financial market develop-ments, published today. Despite the revival in bond issuance, international bank lending during 1987 and in the first half of 1988 still accounted for the major part of total credit flows.

In the near future, the report said several factors will con-

FT-ACTUARIES SHARE INDICES

These indices are the joint compliation of the Financial Times

 Bank loans remain the most obvious substitute for floatingrate notes, a sector which has never fully recovered from the market disruption at the end of • Longer-term economic uncertainties have led to a greater use of the international banking markets to hedge for-eign exchange and interest rate

money markets

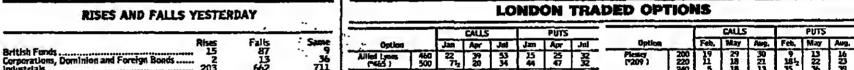
positions. In this respect, bank and bond financing have come

to play an increasingly complementary role. • International banks will

probably continue to play a prominent role in backing ergers and acquisitions. • The renewed activity in the Eurobond market "has been concentrated in large measure on spacial and potentially vola-tile sectors, such as equity-re-lated issues targetted at partic-

ular investors."

LONDON MARKET STATISTICS



two sectors reflects a series of yield curve switches as inves-tors in the longer end decided that rates there have fallen about as far as they can go. Earlier this week, some inves-

to prop up prices: Some dealers were taking profits on short-term holdings of yen bonds, picking up a generous 450 hasis point spread by switching into US Treasuries.

	of Actuaries and the Faculty of Ac	· · · · · · · · · · · · · · · · · · ·	Compositions, Dominion and Porcing Solids 203 662 711 Industrials 64 238 366 Oils 16 48 42 Plantations 2 5 6 Mines 30 55 105 Others 39 68 92	(*665) 500 7½ 20 34 44 47 32 BirtL Alreadys 140 18 25 29 2½ 5 7 (*155) 160 5½ 11 16 18 12 16 BirtL & Comm. 220 14 25 27 7 12 14 (*224) 240 5 12 13 20 23 2b 260 1½ 7 11 38 38 42	(*207)1 220 11 18 21 18 ¹ / ₂ 25 25 940 5 18 13 35 36 77 97 940 5 18 13 35 36 77 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97 97
EQUITY GROUPS	Thursday December 1 1988	Wet The Mon Year Nov Nov Nov apo 30 29 28 (approx)	Totals	8,P 240 12 154 21 54 13 144 ("265) 260 31a 6 113z 16 24 25 Bass 790 40 66 90 13 18 22 ("754) 300 537 57 42 42 45	R1Z 420 35 32 62 14 24 23 (455) 460 16 50 46 35 42 46
& SUB-SECTIONS	index Bar's Yield% Yield% Ratio 1988	30 27 28 Upprov		(*/34.) auto 13 37 42 42 43 Cable & Wire 360 25 35 50 12 18 23 Cable & Wire 360 25 35 50 12 18 23 Cable & Wire 360 25 35 30 12 18 23	Option Feb. May Sep. Feb. May Sep.
Figures in parentheses show number of stocks per section	No. I Change UNIAX.] (Act at] "(Net) to date	Index Index Index Index No. 80. No. No.	LONDON RECENT ISSUES	Carra, Gald 1150 105 155 190 40 70 85 (*1294) 1200 75 125 1265 40 85 110 1200 50 100 - 95 120 -	Vaai Bartis 70 912 1012 14 6 6 13 (1574) 80 5 612 9 13 14 16
1 CAPITAL GOODS (209)	777.88 -1.1 11.48 4.38 18.77 24.84	786.47 782.57 788.19 638.86	EQUITIES	Constraints 260 9 13 24 14 18 23 (*250) 280 31/2 10 13 24 14 18 23 (*250) 280 31/2 10 13 32 52 52 300 21/2 6 13 52 52 52	Option Dec. Mar. Jun. Dec. Mar. Jun. Amstrad 140 18 - 4 4
3 Contracting, Construction (39)	954.75 -1.4 13.23 4.70 9.31 29.21 1473.74 -1.1 13.26 4.10 9.83 44.04 2340.60 -4.4 9.18 4.83 13.16 76.55		hann fannet Laint 1988 Sant Chudag +w Bat Theo Court P.E. Reiz	200 2 6 13 32 52 52 Corn. Union 500 20 36 42 3 9 13 (*720) 330 9 19 125 17 26 28	Anstrad 140 18
5 Electronics (30) 6 Mechanical Engineering (55)	1721.87 +0.1 10.57 3.66 12.24 43.57 409.27 -1.3 11.18 4.47 10.93 13.59	1719.89 1714.28 1717.34 1393.90 414.57 412.80 410.37 338.46		G.K.M. 200 20 27 33 7 14 17 (*30*) 330 5 11 18 25 32 36	Childs
8 Metals and Metal Forming (7) 9 Motors (16)	471.38 -2.5 10.55 4.39 11.73 13.49 268.24 -1.3 12.65 5.62 9.13 9.88 1309.30 -1.4 10.16 4.70 11.62 44.22	271.78 269.89 270.15 222.54	42 55 144 59 1618 Warrens - 101 2 155 251 471 114	Grand Met. 420 39 46 61 4 12 14 (1449) 454 17 23 - 17 26 -	Dinaes 140 e 13 20 4 9 13 (*143) 160 1 7 18 19 21 24
10 Other Industrial Materials (23) 21 CONSUMER GROUP (187) 22 Brewers and Distillers (21)	130930 -1.4 10.16 4.70 11.62 44.22 102139 -1.1 9.95 3.96 12.61 27.98 1130.97 -0.3 10.90 3.78 11.49 24.18 924.85 -0.3 9.67 4.12 13.05 26.17	1039.87 1037.46 1836.03 946.13	BI54 F.F. 159 156 M.75 24 60 113 BH- F.F. 150 54 Reverse Group 156 M.75 24 60 113 BH- F.F. 150 54 Reverse Group 93 2 BL0 23 47 B55 F.F. 166 55 Feltware Monstan 2p 152 2 BL0 2.1 0.7 B55 F.F. 152 Feltware Monstan 2p 152 2 BL0 2.1 4.5 9.0	LCJ, 950 52 70 95 16 36 44 (*776) 10000 23 43 70 38 58 65 Jagear 260 133; 22 30 9 17 24 (*600) 230 133; 11 22 20 9 17 24	Giazo 1050 34 87 120 17 38 50 (*1064) 1100 13 60 93 45 62 70 Hauter Stdd 90 90 97 42 13 18
25 Food Manufacturing (21)	924.85 -0.1 9.67 4.12 73.65 26.17	927.45 924.37 924.40 756.43 1826.33 1819.42 1817.47 1917.85	10 17 27 18 49 Lapport in trias Winds - 180 -1 192 29 31 111 100 17 19211 197 10 Augusta and 50 -1 192 29 31 111 112 128 129 Addition 100 100 123 123 124 145 111	Land Securities 550 47 67 80 4 9 16	Harring Side, 500 20 57 62 5 13 18 (*525) 550 4 25 33 28 35 45 Nillshown 260 6 18 22 7 12 15 (*256) 280 1 ¹ / ₂ 8 13 25 25 27
27 Health and Household (12) 29 Leisure (31)	3365.66 -8.2 2.72 3.77 14.69 35.66	1798.64 1894.62 1802.40 1716.49 1376.90 1377.80 1375.40 1011.62 335.39 527.67 528.69 444.66	455 F.F. 466 55 FEB/metry in Florentam 2p. 467 41 80. 2.0 4.0 135 F.F. 157 152 FEB/metry in Florentam 2p. 162 41 80. 2.0 4.5 9.0 135 F.F. 157 152 FEB/metry in Florentam 2p. 162 42 85.8 2.9 4.5 9.0 140 F.F. 27.1 1377 162 Algene incap 5p. 180 -1 M.2 2.9 1.1 11 13120 F.F. 1377 162 Algene incap 5p. 180 -1 M.2 2.9 1.1 111 13120 F.F. 1307 162 Metrika incap 10p. 123 10.2 1.8 4.6 11.1 11.1 13120 F.F. 1307 153 Maxin Fortunation Fortunat	C 502) 600 15 3 33 48 23 27 37 45 48 48 48 48 48 48 48 48 48 48 48 48 48	(*2.56) 2.00 1.92 8 1.3 2.3 2.3 2.7 Lonrbo 360 34 54 65 7 2.6 36 (*332) 370 13 38 55 22 44 48
32 Publishing & Printing (19) 34 Stores (34)	3296.44 -1.5 9.11 4.36 13.68 186.59 693.71 -3.4 12.24 4.94 10.73 23.22	3345.44 3329.75 3313.25 2729.31 718.87 714.51 717.13 749.46	902 F.F 68 64 Ralgan Investment Iz. 66 12.1 - 3.0 - 93 F.F. 87.2 98 93 SIMAC Grapp - 93 12.1 3.4 3.0 41.4 946 F.F. 67 65 Kateland S 65 12.2 3.4 3.0 41.4	480 2 5 5 50 3/ 30	Widhad St. 290 40 52 58 1 8 10 (424) 420 11 28 57 5 20 22 460 11 8 18 38 47 48
35 Text/les (16) 40 OTHER GROUPS (92) 41 Agencies (19)	460.39 -2.1 15.08 6.48 7.95 18.17 891.10 -0.5 11.57 4.64 10.55 24.69	478.46 474.87 473.43 527.59 . 895.40 896.69 885.65 767.11	T High 115 115 110 <th100< th=""> <th100< th=""> <th100< th=""></th100<></th100<></th100<>	STC 240 33 38 - 3 5 - (*206) 250 17 24 32 9 12 15 280 9 12 25 14 22 21 15 280 9 14 22 21 12 13	Sears 110 11 18 - 2 5 (*116) 120 412 11 1612 51 1812 11
42 Chemicals (22)	1031.06 -0.4 0.56 2.49 14.70 20.98 1094.75 12.71 5.24 9.45 41.34 1252.16 -1.1 10.74 4.59 10.66 25.26	1037.78 1029.20 1025.43 888.07 1004.38 1002.47 996.57 945.94 1265.51 1263.50 1244.09 1041.19	FIXED INTEREST STOCKS	Salasbery 200 8 17 23 7 12 13 (*198) 220 2½ 8 14 23 25 25 Sheli Trans. 950 55 75 95 13 58 37 (*982) 1000 25 44 65 28 60 63	Trastlouse Fortz 240 22 30 40 112 812 11 (*260) 260 74 18 29 74 175 22 The Science 260 74 18 29 74 175 22
45 Shipping and Transport (12)	1878-10 -8.8 11.90 5.00 10.98 62.48 997.15 -0.2 11.78 4.71 11.03 20.38	1893.79 1882.89 1877.87 1589.45 996.75 967.67 983.43 813.87	base Assout Latest 1998	Shell Trans. 750 55 75 92 13 38 37 (*982) 1000 26 44 66 38 60 63 1050 18 23 44 75 90 92 Stanshouse 200 19% 30 38 18 20 28 (*205.) 220 18 20 28 27 32 37	Them EMi 600 50 62 80 5 14 19 (*6.37) 650 13 32 47 19 35 45 Writcome 420 14 39 50 8½ 18 23 Writcome 420 14 39 50 8½ 18 23 Writcome 420 14 39 50 8½ 18 23
48 Miscellaneous (25) 49 INDUSTRIAL GROUP (488)	1176.38 -0.8 12.89 4.66 9.42 40.53 939.38 -0.9 10.81 4.26 11.47 26.67	948.75 945.66 942.23 821.96	E an Date High Low !	(*205) 220 18 20 28 27 32 37 Trafskar House 280 32 34 - 3 6 - (*208) 300 14 21 28 11 14 18	
59 500 SHARE INDEX (500)	1094.68 -0.9 10.82 4.58 11.51 30.89		100p F.P. 96r 92a ALMEE New Grap Gliet) Can Cr Rd Pf 50p 92a -1 100p F.P. 100kp 100p ferlington Sec. 9kpc Can. No. Pf. 2006 100p 100p 100p 100p ferlington Sec. 9kpc Can. No. Pf. 2006 100p 100p 100p 100p ferlington Sec. 9kpc Can. No. Pf. 2006 100p 100p 100p 100p ferlington Sec. 9kpc Can. Pf. 2006 100p 100p 100p 100p ferlington Sec. 9kpc Can. Pf. 2006 100p 100p <td>Utd.5%csiks 280 21 35 40 18 12 19 (*291.) 300 18 21 50 18 22 20</td> <td>Op/Dyn Dec. Apr. Jul. Dec. Apr. Jul. Boots 200 16 50 57 1 6 10 (2217) 220 16 50 34 24 6 14 15</td>	Utd.5%csiks 280 21 35 40 18 12 19 (*291.) 300 18 21 50 18 22 20	Op/Dyn Dec. Apr. Jul. Dec. Apr. Jul. Boots 200 16 50 57 1 6 10 (2217) 220 16 50 34 24 6 14 15
51 FINANCIAL GROUP (124) 52 Banks (8) 55 Insurance (Life) (8)	683.57 -0.9 - 5.21 - 25.49 674.51 -1.0 21.62 6.43 6.38 31.13 921.48 -0.6 - 5.76 - 39.81	649.53 686.37 688.47 574.38 641.51 677.25 669.43 587.37 926.34 924.28 919.45 364.42	F.P. 104 by 105 d, British Sugar New 10 Apr Deb. 2013 105 d, SLIDB F.P. 999 by Damoth (10 Der. 9 JTSpc Cm Rel PI D) 999 by 100 JP F.P. 105 by 999 by Canend (10 Der. 9 JTSpc Cm Rel PI D) 999 by 100 JP F.P. 105 by 999 by Science U Ser Yor Can Rel PI D) 999 by 100 JP F.P. 109 by 1090 by Esta & Gen type Deb. Dir Dir Rel PI D) 100 by 41	Utramer 240 43 23 (*252) 255 16 27 - 16 25 - 33	Option Jan. Mar. Jon. Jan. Mar. Jun.
56 Insurance (Composite) (7)	503.96 -8.5 - 6.21 - 24.84 903.21 -8.9 9.69 7.16 12.89 46.87	586.28 587.48 585.95 455.55 911 17 965 54 895 85 752 88	97.34 536 33/1 324 30 Eart Mr. 5.756 Dr. Us. La. 1997	Washwerth 240 14 25 32 7 10 14 72461 260 6 14 25 32 7 10 14 72461 260 6 14 25 32 7 10 14 72461 260 21 19 13 36 40 42	Brillan Gan 140 18 21 21 21 24 24 24 24 24 24 24 24 24 24 24 24 24
8 Merchant Banks (11) 9 Property (52) 70 Other Financial (31)	321.95 -1.3 - 4.66 - 10.15 1279.48 -1.1 5.51 2.67 23.21 21.41 356.93 -0.4 9.86 5.52 12.67 14.72	526.10 528.33 526.67 548.41 1293.41 1296.45 1264.13 868.96 358.46 358.42 357.47 349.21	100p F.P. 100kp F.P. <th< td=""><td>Gotion Jan Apr Aug Jan Apr Aug</td><td>Option Jan. Jan. RHM 3300 322 -</td></th<>	Gotion Jan Apr Aug Jan Apr Aug	Option Jan. Jan. RHM 3300 322 -
71 Investment Trusts (76) 31 Mining Finance (2)	913.45 -0.6 - 3.29 - 19.70 560.58 10.99 3.73 10.22 15.67	919,40 914,22 999,45 754,58 560,58 562,66 564,28 425,38	979.51 F.F. 2012 974 97 138 Group Lingst Lit 2006 974 1009 F.P. 759 657 NUTC 619 4 3555 CHes Na Cr PT 1998 705 1009 F.P. 1294 759 Ministers Highs & OHT City 759 -1	(178) 140 22 49 - 1 (178) 120 22 13 19 9 12 13	
)1 Overseas Traders (8)	1351.02 -8.4 8.48 4.69 13.35 44.96 925.45 -8.4 - 4.62 - 29.10	1361.95 1355.85 1339.42 861.27 933.45 936.12 926.87 806.06	(100) F.P. - 1210 1010 Wystale Cardia Catra City Co. Pf 1210	Option Jan Apr Jon Jan Apr Jun	Beecham 420 35 54 66 2 7 13 (*451) 460 8 28 41 13 23 29
	Index Day's Day's Day's Nov Nov No. Change High (a) Low (b) 30 29	itor Rov itor Year 28 25 24 app	RIGHTS OFFERS	Roth-Royal 120 13 19 - 3 4 (*128) 130 6 112 14 52 72 13	Vallener 420 23 46 56 24 54 14 (*442) 460 5 28 32 21 20 32
FT-SE 108 SHARE INDEX	1778.7 -13.7 1787.2 1771.7 1792.4 1796.9	1781.5 1794.7 1833.8 1588.4	tesor Annum, Latest 1985 Price Paid Reman; United Stork Price + or	TS8 100 18 12 14 1 3 4 (*107) 110 1 24 5 14 2 1 3 4 (*107) 120 1 24 5 14 25 13	Option Dec. Mar. May Dec. Mar. May BTR 2200 18 22 23 4 ¹ / ₂ 8 ¹ / ₂ 14 (*223) 300 2 11 14 18 23
			p mp Date High Low p 10 88 2001 11pm Amerocy Every 2001 13	Option Feb. Apr. Jul. Feb. Apr. Jul	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$
FIXED INTERE	ST AVERAGE CROSS REDEMPTION VIELDS	Thu Wed Year Dec Nov 290	35 41 12pm 10px Electronic Machine 5p 11px 90 46 - Bea 2 types Ecu Petrolem 5p 3pm -1 types 145 - Bit - Stypes - All Stypes	Optilize Feb. Apr. Jul. Feb. Apr. Jul. Latitoble 370 50 - - 3 ¹ / ₂ - - <td>Tesco 130 7 13 16 24 17 (*134) 140 25 6 18 8 11 13</td>	Tesco 130 7 13 16 24 17 (*134) 140 25 6 18 8 11 13
PRICE The Day's W INDICES Oec change N	ed xd adj. xd adj. 1 ov today 1988 1 today 2 Gospets 15 years		100 887 - 80pm 30pm Partition Lefsers 10p 30pm 30pm 125 Will - 21pt 10pm Quartast Group 10p 13pm 12bm 42bm 42bm 42bm 10p 7bpm 42bm 42bm 42bm 10p 7bpm 42bm 42bm 42bm 10p 7bpm 42bm 42bm 42bm 42bm 42bm 42bm 42bm 42b		Option Jan. Nar. Jan. Mar.
	0 to date 2 Cooperts 15 years 4 Medium 5 years	9.09 9.04 9.19	HTML F.P. 25/12 The second	Option Feb. May Aug. Feb. May Aug. Britt Aera 3900 57 65 74 6 11 16 (*652) 4400 356 444 55 25 24 28 450 166 25 35 35 55 6 50	Enterprise Qii 500 28 50 - 35 45 - (*465) 550 17 33 - 67 75 - Sont & Inversatie 270 2 3 35 - 7 16 - (*298) 452 9 22 - 7 16 -
British Government 1 5 years	47 - 10.20 5 Coupoes 15 years	10.50 10.77 9.02 9.76 9.75 9.41 9.28 9.27 9.35 	a Associated Chridest & Figures based on prospectas estimates.d Divident rate poid or payable on part of capital, cover based on chriden on full capital, & Assured Chrident and yrids. Divident and yield capital expension and Protects, or estimated associated Andone rate, cover based on periods year's carolings. L Estimated associated chrident, cover and pit based on latest annual earlings. M Divident and yield based on Prospectus or other afficiat estimates for 1998. A Divident and yield based on prospectus or other official estimates for 1999, Q Grass. R Forecast, ammalited efficient, cover and pit based on privates ar other official estimates for 1999, Q Grass. R Forecast ammalited efficient, cover and pit estimates of ordinary starts as a "rights". J Introduction Strategie prive.rt Restorduction. e issued in consection with respectively on ordinary starts as a "rights". J Introduction Strategie prive.rt Restorduction. e issued in Cover in the states of ordinary starts as a "rights". J Introduction Strategie prive.rt Restorduction. e issued in Coversities of the states of ordinary starts as a "rights". J Introduction Strategie prive.rt Restorduction. e issued in Coversities of the states of ordinary starts as a "rights". J Introduction Strategie prive.rt Restorduction. e Lowforn Restegie backeting warrants estillement. Third Marbet.	460 16 23 36 35 46 50 BAA 240 19 28 36 552 8 11 (7266) 280 8 16 24 16 18 200	
2 5-15 years 134.51	.69 - 13.10 & Coupons 15 years		estimatis for 1998. A Dividend and pitel based on prospectiss or other official estimates for 1999, Q Locas R Forecast ammailted finited, core and piteratio based on prospectus or other official estimates. W Pro Forea Reserve, Pissed by tender & Official to balance of ordinary starts as a "right;", a introduction shadog price, it Reformation, e	BAT Inds 420 33 42 50 8 16 19 (*(54) 460 1112 21 30 30 38 41	Option Feb May Aug Feb May Aug Come 9's % 2005 96 213 - - 15 - - C100 100 1'y - - 15 - -
5 Ali stocks 132.08 -0.05 132	15 8.00 11.44 ID Internation		Level in constant with the sensation deriver of values of a receiver proper proper process securities manage process Level Risting C Including warrants established." Third Market.	Brit. Telecom 240 20 29 34 5 7 12 (*255) 250 8 14 19 14 16 23 Cathury Schuebers 330 41 50 6.1 10 16 38	
Index-Linkef 6 5 years	.20 - 1.81 12 Inflation rate 5% .20 - 1.81 12 Inflation rate 5% Over .65 - 2.96 13 Inflation rate 10% .2 8 14 Inflation rate 10% Over	5m. 3.47 3.48 2.51 5m. 3.78 3.70 3.73 5m. 2.29 2.29 2.81 5m. 3.53 3.53 3.79		Cadbury Schweppes 330 41 50 61 10 16 19 (*353) 360 22 34 44 24 30 34 370 12 24 28 43 45 50 6alutes 300 40 44 54 3 6 7	
8 Al) stocks 127.65	.65 - 2.85 - 5 yea	11.24 22.17 18.41	TRADITIONAL OPTIONS	Geliness 300 40 44 54 3 6 7 (*329) 330 17 24 34 11 17 18 340 6 10 17 34 34 11 17 18 145M0 420 65 80 - 13 20 -	Opcion Dec Jan Feb Mar Dec Jan Feb Mar FT-SE 14690 1481 152 - - 4 7 - 7 Index 1700 98 106 120 111 7 115 21 7 (*1779) 1720 97 92 97 13 26 55 40
9 Determents & Leens	AC (1) 17 25 yea	rs 10.76 10.75 10.59	First Dealings Nov 21 Calls in Lonrho, Stue Arrow, Nur- Last Declarations Feb 23 Props, Charter Cons. 80/65.	LASMO 420 65 80 - 13 21 - (464) 460 38 58 70 27 38 46 500 22 40 48 52 60 67 B 4.0 500 70 80 - 3 - 3	FT-55E 14500 1468 152 · · 4 7 1.55 21 7 Index 11700 96 106 120 111 7 155 21 7 Index 11700 56 70 150 97 13 25 55 40 1800 24 40 52 65 175 55 40 1800 7 20 27 40 72 75 53 90 1900 2 9 13 23 122 125 127 125 127 2000 1 3 13 23 122 125 127 175 . 1 3 13 23 122 125 127 .
	101 FIEldield	772.0; 4 pm 1778.5; 4.05 pm 1778.7	For settisment Mar 6 Petrogen, Priest 2, Luces, Amel Fin. Wilkems (Rex), PML, Euro-	P. 4. 0. 500 70 82 - 3 7 - (*554) 550 32 42 53 14 23 28 500 12 32 30 50 50 57 58	1900 2 9 13 23 122 125 125 127 2000 1 3 5 . 172 175 175 . December 1 Total Contracts 3 4 440 Calls 28 440 Care 13 Cas
9.31am (b) 2.53pm + Flat yield. Highs and constituents is available from the Publishers, Th	785.1; Noon 1781.5; 1 pm 1780.1; 2 pm 1776.6; 3 pm 17 lows record, base dates, values and constituent changes are e Financial Times, Bracken House, Cannon Street, London	published in Saturday Issans. A new list ECAP 48Y, price 15p, by post 34p.	For rate indications see end of tunnel Wrst, Tubular Exhib. P/C in Londen Share Service Jaguar.	Pilltorton 200 22 28 32 4 7 10 (216) 220 9 116 19 13 14 19	December 1 Totzi Contracts 34,440 Caits 28,460 Puts 13,980 FT-SE Index Calls 3950 Puts 4897 Underlying security price.

se ;et

MBER 2 1988

•

believing that the believing that the Y's torgen anti-info ance would bely as to come down in i.

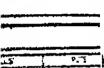
EET bond marks changed yesterds estors and traden it this morning is employment de bur. is are hoping the set over whether the ber over whether the serve will take policy risets are experts o show the created is 5.3 per cent which would be une mployment is a yesterday of the is of leading to indicators. Fixed poneents of the inde riset took no conta-

rket took no conte downward revision d r's figure to a 0.3 sc from 0.1 per con r a slight slowdown nuc activity. The fa-toe uncertain, ba-twe any firm tend y afternoon, the pie reasury's benchman bond stood a: su hits per cent, of a di-ma the opening.

INT BONDS Wook ago as Vield

-	Vield	ago 134"	
Lou- 12 28 8 55 8 8 8 8 8	11.00 10.21 9.25 9.34 9.36	9.21	
11	9.04 9.06	\$ 11 9 *1 5 14	93 316
88	4.51 4.79	53.52	14
32	8 44	E.46	63
837 375	8 42 8.71	8.56 8.77	口
100	96 (A)	10.23	11
290	\$ 52	44	12
24	12.13	1.48	12

n I ef 10 and the 2.15 of 21 5 on 32hds, priors in Sec. MARGER DecarATLAS Pros 1208



. **3** 😵 1

FINANCIAL TIMES FRIDAY DECEMBER 2 1988

. .

11.1 ... ÷. . . .

. . . .

.. ۰. ۰. 2010 Contraction and second . . . *.* . 1.74

هكذامنالأجل

the second second second A. 1. Aug. 1. 31





÷

UK COMPANY NEWS

Acquisitions push Tate to £120.1m BPB falls

By Clay Harris

32

SHARPLY HIGHER contributions from cereal sweeteners and starches, the result of a busy year of acquisi-tions, helped Tate & Lyle to increase pre-tax profits by 31 per cent to £120.1m in the 53 weeks to October 1.

The pre-tax advance from \$92m was accompanied by a 24 per cent rise in fully diluted earnings per share to \$8.6p (71.5p). With the results at or above most expectations, Tate shares closed unchanged at

840p. While welcoming the first four-month contribution from Staley, the US corn syrup company Tate bought for \$1.48bn (£783m) in May, and the bene-fits of a higher stake in the European-hased CST Gronp, Mr Neil Shaw, chairman and chief executive, emphasised that the original parts of Tate had increased profits by more

than 10 per cent. Profits from UK sugar refinrebounded to match the 1983-84 level of £20.3m, against a low of £5.4m in 1985-86. The latest figure, bowover, does not include £5m back payments Tate will receive as a result of a change in the EC pricing for-mula for cane refiners.

Among the few black spots was molasses, where profits dipped sharply under competitive pressure, although growth ward cover this year.

PRE-TAX PROFITS BY DI	VISION (E	m)
	1987-88	1985-87
Sugar production/relining		
ŪK .	20.S	14.1
Canada	12.2	12.4
US	3.9	13.7
Other	10.1	5.0
Cereal sweeteners and starches		
US	13.e	-
	11.3	5.4
Europe		
Processing and trading	~ ~	
Sugar trading	6.0	4.0
Molasses/speciality feeds	8.0	11.3
Malting	2.5	2.0
Service bueinesses	13.8	11.2
	15.7	12.5
Automotive/industrial/constr. prods	1.3	1,7
Other	116.7	93.3

"Before Råd costs and pet central interest in

in speciality feeds helped to cushion the fall.

:----

cushion the fall. Profits from US sugar pro-duction plummeted to less than a third of their previous level, largely because of the glut of beet sugar from the west flooding an east coast market bedevilled by a surfeit of cane refining capacity. More-over, beet profits fell from the record levels of 1986-87.

Sterling's strength depressed North American profits, including Canadian results ahead in local currency terms, by £5m, even after taking account of the group's hedging \$30m profits at a sterling exchange rate of \$1.67. Tate has not arranged any such for-

3.9	13.7	19.5p (17p) will raise the total
10.1	5.0	to 29.5p (26p).
		Tate plans to subdivide its
13.e	-	shares into four in an effort to
11.3	5.4	make them more attractive to
		small investors and employees.
6.0	4.0	
8.0	11.3	O COMMENT
2.5	2.0	
13.8	11.2	Tate has rarely had it so good
15.7	12.5	in so many sectors, but the
1.3	1.7	buying spree and ambitious
116.7	93.3	investment plans have had
		their costs. Gearing, at 105 per
		cent at the year-end, will rise
		another dozen percentage

points after Amstrar deal. Althongb Tate is bumping against borrowing limits, its

bankers are happy with proj-ected interest cover of a

healthy four times in the cur

rent year. Nevertheless, flexi-hility is limited if other large

opportunities come along.

Even if Amstar was untimely in financial terms so quickly

after Staley, however, Tate's

courage to take the plunge was

well-founded. Assuming pre-

tax profits of npwards of

f170m, the prospective p/e is closer to 8 than to 9. This is

Tate expects US regulatory approval shortly for its \$305m purchase of Amstar, the largest US cane refiner, and the linked \$105m disposal of lts only US refinery at present, in Yonkers, New York. When these deals are com-

pleted, Tate will have 65 per cent of its assets and sales in the US. By product, 42 per cent of revenue will come from sucrose, 30 per cent from cereal sweeteners and starches and 28 per cent from other activities.

Sucralose, the no-calorie eweetener being developed jointly with Johnson & Johnson of the US, cost £6m. With group turnover ahead by 23 per cent to £2.09bn

not expensive for such a solid stock, but the size of the uncovered dollar exposure could have investors grinding (£1.7bn), Tate's operating martheir sweet teeth some nights.

Charterhall bids for beleaguered Corah

By Ray Bashford and Alice Rawsthorn

CHARTERHALL, the investment vehicle of Austra-lian businessman Mr Russell Gowerd, has launched an agreed bid for Corah which values the tronbled textiles group at £27.2m.

Ending months of speculation about which direction Mr Goward would jump after building up strategic stakes in four other listed companies, Charterball has offered 75p cash or a loan note alternative to win the board's support.

Q.,

Corah shares were temporar-ily suspended before the bid announcement but returned to add 6%p to 71%p by the close of bus

Charterhall has held Corah shares for eight months and following yesterday's purchase of a 6 per cent stake now holds 29 per cent of the capital. Agreement has been received from shareholders speaking for another 26.3 per cent of the capital, lifting Charterhall'e effective control to 55.3 per cent. Speaking from Sydney, Mr

Goward said the acquisition would form a beach head for expansion into the British clothing manufacturing indus-The existing management

will get on with restructuring the company while we identify other acquisitions to fold into the company as the industry is rationalised," he said.

For Corah, one of the bas-tions of the east Midlands knitting industry and a significant supplier to Marks and Spencer, the bid comes as the culmination of several years spent struggling against hefty bor-rowings and poor profitability. Corah's tronbles began in

1964 when it took over Reli-ance, a fellow M and S mann-facturer. The integration was But Mr Foulkes faced a difficult task in reducing borrow-ings to a more manageable fraught with problems. Corah then suffered a etrike at one of its factories. In 1987 it lurched level and improving the profitability of Corah's businesses. Corah's borrowings are into a pre-tax loss of £1.7m on static sales of £96m. understood to be £10m. However, it is understood that the

Earlier this year the com-pany recruited Mr John Foulkes, from Hanson, as chief sale of a large portion of the company's 10 acre Lelcester manufacturing site could sigexecutive. He conducted a rig-orous review of Corah'e activinificantly redoce this figure. Mr Goward has entered the UK clothing industry at a diffities and mapped out a plan for restructuring. Corah has since shed over 1,100 employees, withdrawn from the knitwear market and cult time. In recent months the

industry has become increas-ingly competitive because of a rapid rise in imports – fuelled by the strong pound – and the sold its socks business to Courtaulds. Its workforce has fallen uncertain outlook for conto under 4,000 as a result. Restructuring costs contribsumer spending. However, Mr Goward was confident of the company's future and the role it will play

uted to attributable losses of 27m in the first half of 1988. The restructuring was largely completed this autumn. in allowing entry to the industry.

short of estimates gin has risen to 6.2 per cent against less than 2 per cent in 1980-81. The tax charge fell with £104m from 30.5 to 30.1 per cent, and the proposed final dividend of By Andrew Taylor, e the total

Construction Correspondent

tractive to THE SHARE price of BPB Industries, Europe's biggest plasterboard manufacturer, employees. fell sharply yesterday knock-ing some £55m off the comit so good s, but the

pany'e stock market value. The fall followed the annoancement that pre-tax profits had risen by only 14.5 per cent to £104.1m (£90.9m) during the six months to end-September. Turnover rose from £434.1m to £485.9m. The market had been expect-ing higher profits and marked the shares down from 239p to

BPB, which traditionally produces more than 90 per cent of all the plasterboard sold in Britain, is facing increasing competition at home and on the continent. Stockbrokers Phillips & Drew estimate that about 280m sq metres a year of new Buropean plasterboard capac-ity is likely to come on stream by 1990 in a market which is

only likely to grow by about 40m sq metres over the same period. In the UK, BPB is facing competition from two sources:

By Clare Pearson Knauf, privately owned West CARLESS, oil independent, German company, and Red-land, the British huilding yesterday raised the possibility that an eleventh hour white materials group which has established a joint venture with CSE of Australia, to supknight could emerge to deliver it from Kelt Energy's £208m hostile bid. That talks were ply plasterboard to the UK. underway with a third party which might lead to an Knauf, which also compete offer.

with BPB in France and West Germany, is next month due to start production at a new plant at Sittingbourne, Kent, and has announced plans for a second plant on Humberside. Redland, currently building its first plant et Bristol, also

rival would have moved before has plans for a second plant in south east England. this late stage: Kelt's cash offer is due to lapse next Thursday. Mr Ian Clubb, Carless' chief BPB estimates that by the executive, said: "Obviously the Carless accompanied the talks are serious, as the Take-

end of next year plasterboard capecity in the UK would increase to more than 260m sq metres a year compared with sales this year of around 180m sy metres. It said its investment in new

plant would enable it to cut costs by np to a quarter leav-ing room to reduce prices, should a sales war develop.

Effects of a price war could be perceived in BPB's first half results from France where profits were lower mainly due to laminated board price competition with Knauf and Lafarge of France.

BPB's Rigip West Germany subsidiary has increased prof-itability despite lowering prices to compete with Knauf. It was BPB's purchase of Rigip last year which prompted Knauf to attack BPB's own home market. BPB also reported lower profits in North America due to increased competition and a fall in Canadian housebuild-Smurfit enters ing. In the UK, the company's conservative housekeeping meant investment in new as white knight in Cundell bid plant restricted profits growth as did adverse currency exchange movements. By David Waller Jefferson Smnrfit, the Dublin-based group which claims to be one of the world's largest paper packaging com-panies, yesterday emerged as a white knight in the four-cor-nered battle for control of Cun-dell Group, a smaller packag-ing company. Earnings per 50p share rose to 16.3p (14.5p) and the Interim dividend is lifted to 3.75p (3p). 3.75p (3p). ● Gypsum Industries, BPB's Irish offshoot, reported pre-tax profits of I£3.33m (£2.78m) against I£2.88. Turnover was £15.74 (£16.3m). The pre-tax figure was struck after inter-est received of £346,000 (£300,000). See Lex ing company. Cundell's board retracted its previous recommendation that it should merge with Ferry Pickering. This deal was chal-

Ferranti sounds cautious note after 6% increase in earnings

By David Waller

FERRANTI INTERNATIONAL Signal, defence electronics group, yesterday sounded a cautions note on its short to medium term outlook as it reported a 6 per cent rise in earnings for the six months to the end of September. Sir Derek Alun-Jones, chair-

man, warned the Clty about the likely adverse impect of high interest rates and strong sterling on profits. Some 40 per cent of the company's turnover is dollar-denominated and gearing et the half-year stage stood at 60 per cent.

Sir Derek's caution was reflected in a modest 5.5 per cent rise in the interim divi-dend to 0.76p per share. At the pre-tax level, profits

rose from £23m to £40.1m, including a full contribution from International Signal & Control, the enigmatic US-based defence contractor which merged with Ferranti in November 1987. Turnover rose from £302m to £503.1m.

Although the increase in first-half earnings - from 3.5p to 3.7p per share - was exectly in line with City expectations,

Though the annonncement

followed reports of stake build-ing last week, it met with sur-

prise and some caution. It had

been believed that any serious

forecasts for full-year profits were trimmed from just over £100m to as little as £95%m, and the shares dropped 2%p to 62%p. At this local the star clouded in mystery. These criticisms can now be applied to Ferranti International. There was no profits breakdown and although margins have risen 93%p. At this level, the com-pany is capitalised at 6699m. The figures were struck after a fim loss on the development although marking have risen substantially as a result of the merger, so have debt and inter-est payoble. The enlarged group is thus not in a good position to deal with the new era of yet higher interest rates and a stronger pound upper of Phonezone CT2 telephonc, for which Ferranti expects to win a licence early next year. The comparable figures included turnovcr of £29.6m and a stronger pound ushered in by the Chancellor last week. The cautions tone of the chair-man's statement, and the modand an operating loss of £500.000 on the semiconductor business sold last year. est dividend increase, show that the compeoy recognises this. In the long term, Ferranti should benefit from the expec-ted order for European Fighter Aircraft radar, but it is ques-The interest charge surged from £2.8m to £11.4m. This was

due partly to higher interest rates, but the main reason was the higher level of debt in the former ISC businesses. At the end of the half year, net bor-rowings were £200m. Sir Derek said the aim was to get the figure down to £145m by the year-end.

over Panel would not allow us

to make statements like this

with no substance hehind

115p under the cash offer by Kelt, which claims control of

about 48 per cent of the com-pany, closed up 1%p st 117p. Mr Clubb said a further clar-

ifying statement would be

made, probably early next week. It was not clear whether

the third party would be in

position to launch a bid,

assuming it wanted to, before the December 8 deadline for

Carless' shares, valued at

COMMENT

them.

sberes ore on a prospective multiple of 10.6. That the shares are rated higher than One of the main criticisms of the market average, reflects the outside possibility of a bid ISC when it was an independent company was that its gearing was too high and the if GEC's offer for Plessey is source of much of its earnings allowed to go through.

Carless white knight possibility

of pre-tax profits of not less than £9.1m, against £6.8m last time, and earnings per share of at least 4.1p (2.3p) for the year to end-March 1989.

tionable whether the balance sheet is really strong enough to support the development of

CT2 against powerful competi-tors. If the company makes

£98.5m in the full year, the

It also unveiled interim results showing unchanged pre-tex profits of £2.2m, and net profits of £1.9m (£1.5m). It is paying an uocbenged interim dividend of 1p.

In its circular to sharehold-ers detailing these figures, Car-less higblighted the strong advance in profitability at the operating level forecast for the second half, Both US upstream activitles, and downstrcam businesses, were expected to show a doubling.

Lowndes sells Poundstretcher

Kelt's cash offer.

By Maggie Urry

LOWNDES QUEENSWAY, the furniture and carpet retailer Lowndes hoped to get a higher price - between 260m and 270m - for the business. The headed by Mr James Gulliver, which was formed by the sale price reflects the level of acquisition of Harris Queen-sway, has egreed to sell its Poundstretcher discount chain interest in the business. believed to have agreed the purchase of the 5 per cent stake from the management as to Brown and Jackson, retail, building and property group, for £70m

- Poundstretcher was put on . The deal is a significant one the market in late October for Brown and Jackson, e oneafter Lowndes received an offer time glamour stock, whose leasehold properties which are included in the deal. In its last balance sheet Brown and Jack-son's shareholders funds stood at £7.4m.

Poundstretcher has 160 stores, mainly in the north of England, totalling about 1m sq ft of sales area.

Trading in Brown and Jackson's shares was halted at 39p on the announcement and they remain succeed

Zalienda

1.42 2 1 1 1 1



Oxford v Cambridge for The Bowring Bowl

TWICKENHAM, TUESDAY 6TH DECEMBER, 2.00pm

The line up is as exciting as ever for this year's Varsity Match at Twickenham, the perfect setting in which the Light and Dark Blues will strive for the right to tie their colours to the coveted Bowing Bowl.

The Bowring Bowl is the symbol of Bowring's continuing sponsorship of The Varsity Match -- this being the thirteenth year. Bowring, as part of the world's leading insurance and reinsurance broking group, see their sponsorship as a reflection of the competitiveness and team spirit essential to success.

ليتار فتعارض

MATCH SPONSORS

INTERNATIONAL INSURANCE & REINSURANCE BROKERS

C. T. Bowring & Co. Ltd. The Bowring Building, Tower Place, London EC3P 3BE Tel: 01-283 3100 Telex: 882191 Fax: 01-929 2705 A Member of Marsh & McLennen Companies, Inc.

Avdel wins court orders By Clay Harris

AVDEL, the UK industrial fasteners group fighting a £102m takeover bid from US-2102m takeover bid from US-based Banner Industries, yes-terday won court orders disen-franchising two blocks of shares, the beneficial owner-ship of which Avdel had been dissatisfied about. Avdel also said the Stock

dell's shares rose 15p yesterday to close at 186p. Ferry Pickering said it would reconsider its position after assessing the level of eccep-tances today, the first closing date for the share offer. Crown Exchange surveillance divi-sion was investigating certain dealings in its shares before eaid it was considering its

dealings in its shares before and after the Banner offer. The orders, granted in the High Court in London under Section 216 of the Companies Act, apply to two blocks total-ling less than '2 per cent of Avdel shares. Avdel'e inqui-ries under Section 212 led to Banque Centrade Ormond Bur-rus of Genera and Banque de Banque Centrade Ormond Bur-rns of Geneva and Banque de Luxembourg in Luxembourg. They both falled to give ade-quate replies to Avdel's inqui-ries. Avdel is also considering legal action relating to about a dozen additional blocks, total-ling about 21 per cent which

Avis Europe, car leasing and rental group, is building up its presence in Scotland with the 55.9m acquisition of CG Leas-ing, Edinburgh-based contract hire company. CGL, which has 2,500 vehicles under contract, made pre-tax profits of £410,000 in 1987 and had net assets of £1.07m at the end of that year. ling aboot 212 per cent, which had been traced to tax haven addresses outside the UK.

Avis £5.9m deal

BOARD MEETINGS

options.

snies have notified dates to the Stock Exchange. susaily held for the pur- dividends. Official indica- tible as to whether the ne or finals and the sub- der are based mainly on 8. DOAY was Scotia. Marting inda,	Ford Seller Morris	Dec. Dec. Dec. Dec. Dec. Dec. Dec. Dec.
pod (SW),	Hambros Advanced Tech Tet	Dec.
RE DATIES	Loricos Richarde Trafalgar House	Dec. Dec.

of £50m from the chain's ma agement, headed by Mr Stephen Fearnley and Mr Peul Appell, who together own 5 per cent of the equity. However,

lenged a week ago by Crown Packaging, a private company which topped the Pickering terms with a £28.6m offer. Now

dell's shares rose 15p yesterday

profits totalled £661,000. Poundstretcher made pre-tax profits of £7m in the year to January, after paying rents on some freebold and

Brown and Jackson is

shareholders have details of the financing of the deal and an extraordinary meeting is held to approve the purchase.

French bid rival mooted by Northumbrian Water By Andrew Hill

NORTHUMBRIAN Water with several potential suitors Authority suggested yesterday from the UK and overseas Authority suggested yesterday that if privatised it would con-sider launching a rival bid for two water companies in its

region, currently the subject of recommended offers from Lyonnaise des Eaux, Frencb major UK water contractors. The euthority is prohibited from launching a takeover while in the public sector, but it eaid a combination with Separately, the Water Com-panies Association, which represents the UK'e 28 quoted statutory water companies, said that it favoured no single Newcastle and Gateshead and Sunderland and South Shields investor in the sector and had not been involved in the deci-sion to sell a 5 per cent stake water companies would provide greater opportunities for company employees, while economies of scale would bene-

in Rickmansworth Water Com-pany to Compagnie Generale des Eaux, France's largest fit customers. Northumbrian'e action will

Cundell is recommending a 233.3m bid from Smurfit, Mr Brian Fix, Cundell chair-man, said the offer from Crown had made the terms of the bight mith Biologia com put pressure on the water com-panies' stockholders, wbo link-up with Pickering seem unrealistic. The Smurfit offer is pitched at 185p cash per share, com-pared with the 160p offered by Crown and the 138p value of the Pickering merger. Cun-dell's charge rose is nucetoring panies' stocknollers, who should receive Lyonnaise's offer document in the next few days. It is believed to follow approaches to the authority from institutional shareholders sworth. unhappy with the proposed takeovers

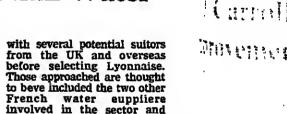
Management of the fund's water company assets is dele-gated to Schroders, the mer-Northnmbrian has already joined local MPs in pressing for the Lyonnaise bids to be examined by the Office of Fair Trad-

gated to Schroders, the mer-chant hank. The fund – to which 30 employers in the pri-vate water sector, including the WCA, contribute – has sold small stakes in a number of water companies over the past 18 months. Sunderland'e offer document revealed it had had discussions

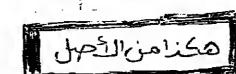
DIVIDENDS ANNOUNCED

		payment	ponding dividend	for year	lasi year
laker HarrisInt	31	-	2.25	_	e.25
SPB IndsInt	3.75	Jan 27	3	-	e.5
ariess	1	-	1	_	2.75
Sarroll (PJ)lin	5.4	Feb 14	5	8.2	7.8
astingsint	1.75	-	1.4	-	5
undee/Londonfip	5.9	Jan 25	4.4	8.8	e.e
Erskine HouseInt	1.9t	Feb 21	1.8	_	5.2
erranti IS	0.76	-	0.72	_	2.328
Anlan Grp	2.2*	Feb 27	2	-	4.5
iuntingdon Inti	2.26	-	_	2.25	
Sonstield Brewint	2.25	Jan 9	2.25		9
EPC	117	Jan 19	9.75	14.5	13
Wiward Brown §Inl	1.5	Jan 18	1.25	-	3.3
ionks & Crane §ini	1.3	Feb 2	1.2		3.2
loyal Bankfin	9.71*	-	e.1	15	12.7
Schroder Globalfin	2.4		2.275	4.8	4.4
cot & More Tat	1.4	-	1,4	-	4.S
idlaw Groupfin	4.25	-	S.5	7	5.5
ate & Lylefin	18.51		17	29.5	26
inited Indaint	1.2†	Feb 1	0.8	-	2.4

Dividends shown pence per share net except where otherwise stated, "Equivalent after allowing for scrip issue, tOn capital increased by rights and/or acquisition issues, SUSM stock. \$SUnguoted stock. \$Third market. *Carries scrip alternative. 🔶 irish curren



Wrdneh water supplier. Générale des Eaux bought the stake on Tuesday from the Water Companies (Pension Fund) Trustee Company and on Wednesday declared a 16.1 per cent holding in Rickmanm Col



UK COMPANY NEWS

Royal Bank rises 57% to £309.2m

battle in Scotland yesterday reported pre-tax profits of £309.2m for the year ending September 30. Bejam bid ICELAND FROZEN Foods yesterday offered a partial cash alternative in its £241m bid for

fellow retailer Bejam, hut declined to increase its offer. Instead, Iceland has declared its original offer to be final, unless a rival bidder emerges. The news caused Bejam's shares to fall 18p to 170p yesterday.

Iceland

By Philip Coggan

The board of Bejam however continued to reject the offer and the founding Apthorp family, which owns a key 30 per cent stake, said it would not be accepting. Iceland thus faces a tough battle to get the required 50 per cent acceptances from the remaining shareholders. Shareholders will be able to

supremotions will be able to receive 1230 per Bejam share in cash with a further 59.4p in convertible preference shares, making a total of 182.4p. The cash element is underwritten by N M Rothschild. The allshare offer is 41 Iceland ordi-nary shares and 60 convertible preference shares for every 100

devised to encourage Mr John Apthorp, Bejam's chairman, and his family to accept. How-

ever, Mr Walker, Iceland's chairman, was disappointed later in the day when Mr-Apthorp and his family announced they would not be

accepting. Mr Walker said that Iceland

had decided not to increase the bid because the directors "only

wanted to do the deal at the

right price. Without the deal, Iceland will continue to grow and prosper" he added. Mr Walker also attacked fig-

ures in Bejam's latest defence document, citing the different growth rates of frozen foods

sales in the North-West and the Sonth-East. Bejam had argued that Iceland's superior growth rate had been boosted

by the fact it was based in the

fester-growing North-West: Mr

accepted statistical source, AGB, shows that the South-

East, where Bejam is based is in fact growing faster.

in Bejam and values each Bejam share at 190.6p. Iceland also declared that the partial cash alternative would not be open after December 21. This tactic was

t profits of not to m, against 16.3m to earnings per shared ip (2.50) for the per a neveried interna showing unchange mofils of the main S of 21.52 (SLap) ng an Lochanger circular to shareby ing these Cars G blighted the such in profinition ap r hevel foretas fore alf. Both US Line S. and committee

MBER 2 1968

note

lings

Row be applied from be applied fremational Tube fits breakdown au maring pare man

and breakform and nargins have for in gs a result of the have debt and the dest and the hus nor in a list deal with the ba-bigher interest for the could with the ser pound using t thancellor last wat since of the bat

then: and the Bry

nd increase sho

iompany recodes iompany recodes iom term fermine whit from the end of European Fisher Mar, but it is ges thather the base cally strong enge

the development

st powerful company mass the company mass the full year. 5

e on a prespection of 10.6 That is

e rated lugger that

et average, release le possibuity of a light offer for Piessey i

sibility

A HO through

etcher

IS, WETE FUNCTED

fort

d properties while the test test is sta Since the we get its sarehousers turns for

darreicher 125 E monals of the total ನ್ನ ಕಂಪರಿಗಳ ಎಂದ ದಿನ 105 A.V.

ng in Rossantins ESTATE OF ALL CE 3.754 A.C. - 12101 (210) MAN + 1-707241 2 chiere have details REFINE COLLES WE'D TRANSCO. TO TRANSF. approve the party

£28.5m cash for Staveley Chemicals (Holdings). Based on a 180-acre site near Chesterfield in Derbyshire, Staveley makes a wide range of bulk chemicals and intermediates, predomi-

le m the UK.

nantly for sa

faces tough By David Lascelles, Banking Editor THE ROYAL BANK of

> This represented an increase of 57 per cent on the previous year's result, though, exclu-ding the large factors which depressed the 1987 figures, such as property sales and Third World provisions, the underlying rise was 28 per cent

This outcome comfortably exceeded the City's forecasts and was attributable to a strong earnings improvement in most parts of the group, and a fall in bad debt provisions. Earnings per share were up 49 per cent to 67.1p. The dividend is being increased by 18 per

cent to 15p. Sir Michael Herries, chair-man, said: "We believe these results to be exceptionally good considering the uncertain markets in which we have operated. They represent a remarkable achievement in a year which also saw us devoting considerable effort to group

expansion and to our preparation for the single European market." The clearing bank operations

earned £270.6m (£202.4m). thanks to an increase in net interest income. Lending margins were preserved despite a less favourable deposit mix. The RoyScot Finance Group, which includes A.T. Mays, the

recently acquired travel agent, earned £27.4m (£24.3m). The group's three-year-old insurance subsidiary also came into profit for the first time, earn-

ing 24m. The main earnings fall came at Charterhouse, the group's merchant banking arm, where profits were £35.1m (£39.2m). However the previous year's result was boosted by £7m from the sale of its investment in Woolworths. The group's overall cost-to-

income ratio increased from 60.7 to 62.3 per cent, mainly because of the 2,500 additional staff taken on with A.T. Mays. The bad debt charge fell to £59.2m from £79m.

Castings' upward trend continues with £1.14m

By Richard Tomkins, Midlands Correspondent

CASTINGS, foundry group based in Brownhills, West Mid-lands, yesterday reported a buoyant first half with pre-tax Order books were full, Mr Cooke said, and the prospects were for another record year. profits continuing their upward trend from £888,420 to filiam for the six months to

September 30. Turnover rose from £8m to 19.2m while rising interest charges provided a boost as net interest receivable rose from £105,248 to £158,440. Earnings per share rose from 5.61p to 7.2p and the interim dividend has been increased to 1.75p

(L4p). Mr Brian Cooke, chairman, Mr Brian Cooke, chairman, said 40 per cent of Castings' volume went to the commercial vehicle sector, much of it to Scania in Sweden, and another 30 per cent went to the building industry largely in the form of scaffolding fixtures and step irons for manholes.

Strong demand in the automotive and construction sec-Walker argues that the tors had pushed up volumes and led to the foundries operating at virtually full capacity in Rotherham, and this should benefit the second-half results.

RTZ chemicals purchase

By Kenneth Gooding, Mining Correspondent

RTZ CORPORATION, mining and industrial group, has paid purchase provided the opportunity to develop its business which produces intermediates for the pharmaceutical and agrochemical industries.

The consideration includes the discharge of certain loans from Staveley's shareholders.

The Royal is expecting to complete the £240m purchase of Citizens Financial Group in Rhode Island by the end of this year.

COMMENT

In the last four years, the Royal Bank's earnings per share have more than doubled and dividends have grown at a compound rate of 16 per cent, but it is hard to see how the group can match this sort of performance over the next four. If it could it would not be

selling on a prospective multi-ple of 5. A 28 per cent rise in full-year profits helps explain why the shares have outperformed the market and the sector by 7 per cent over the last year but the group will be pushed to report double digit profit growth in 1988/89 as the resumption of pension fund charges and the move towards paying interest on quasi-cur-

Herries and Laing to meet

SIR MICHAEL Herries, chairman of the Royal Bank of Scotland. is to have a meeting next week with Sir Hector Laing, chairman of United Biscuits, to discuss its lending policies, writes David Lascelles.

The move is the result of a letter from Sir Hector seeking surances that the Royal Bank will not help finance hostile bids

for his company. The Royal has drawn fire for providing loan facilities for Elders IXL to hid for Scottish & Newcastle Brewerles, a company with which it has close links.

Mr Charles Winter, the bank's chief executive, said yesterday that relations with Sir Hector were amicable, and that the Royal held to its policy of treating all its customers equally.

Haden MacLellan launches rights to fund £28m expansion

Bnt Mr Ling's connection

By Clay Harris

HADEN MACLELLAN were formerly part of London and Midland Industrials, where Holdings, diversified industrial group headed by Mr Philip Ling, is to pay £27.75m for six Mr Ling was managing direc-tor until 1984. LMI was taken engineering companies in the UK and US. over by Williams in 1986.

All but one of the companies is coming from Williams Holdwith the three companies goes back even farther. Brown Prodings; the other - specialist crane builder Butterley Engiucts, manufacturer of corruneering - is being sold by Nor-cros. Both sellers are UK con-glomerates considerably larger gated protective packaging; Ober, supplier of actuator than Haden MacLellan.

The group is to finance most of the acquisition cost through a one-for four rights issue at 165p which will raise £22m after expenses. The shares closed 7p lower at 186p.

The acquisitions announced yesterday will be the largest since Mr Ling reversed two pri-vate companies, Haleworth and Haden, into the listed agricul-tural equipment maker P&W MacLellan in October 1987. He had previously failed in a pioneering management huy-in attempt at Simon Engineering. The group will now rely on 17 diverse manufacturing and distribution companies for half its earnings, with the rest com-ing from Haden, its US-based antomated paint-line subsid-iary. There is a similar 50-50 split between US and Europe-

an-based profits. The latest transactions are

remarkable because three of

the companies being bought 1987

Haden MacLellan, meanwhile, is paying Norcros £5.5m for Butterley, which recorded pre-tax profits of £491,000 on turnover of £20.4m in the year to March 31.

33

One of Mr Ling's leading original backers for Haleworth. Schroder UK Buy-Ont Fund, meanwhile, has placed its 18 per cent stake in Haden MacLellan at 175p. The fund, which has seen its

rings; and Nim-Cor, producer of expanding air shaft for winding and unwinding, had been part of Johnson and Firth Brown, of which Mr Ling had investment grow by nearly four times, said its policy did not allow long-term holdings in been general manager since the late 1970s. listed companies. Another Schroder fund, however, is retaining its stake of 7 per

When JFB sold the three all of which are US-based - to LMI in 1982, Mr Ling moved as cent. although this will be diluted by the rights issue. well. In 1987, the three made pre-tax profits of \$3.9m (£2.1m)

on sales of \$25.6m. Williams had already sold 12 former LMI engineering com-panies (as part of a package of 18) to Mr Ling's Haleworth in 1986. Most of the former LMI is now part of Haden MacLellan. Also included in yesterday's £22.25m disposal by Williams were two UK-based companies: AEC, machining, assembly and metal treatment sub-contractor for British Aerospace, and Freeman and Proctor, specialist welder. Together they achieved pre-tax profits of £472,000 on sales of £3m in

(7.7p). The interim dividend is being raised to 1.5p (1.25p).

£851,000 to £1.16m.

Turnover for

Millward Brown

Substantial growth in its

advertising tracking business helped Millward Brown, mar-

ket research agency, to raise interim taxable profits from

USM-quoted company to the end of September was 59.42m

(£7.42m), and after tax of £437,000 (£314,000) earnings per

10p share came out at 10.2p

this

The Royal Bank of Scotland Group plc



from over 840 branches throughout.

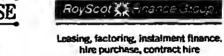
the UK and overseas



Merchant banking.

stockbroking and securities

development capital







Insurance underwriting covering motor, home and credit insurance

PROFITS EXCEED £300m FOR THE FIRST TIME

and travel

rent accounts begin to bite. That said the shares, at 356p, are selling at a discount of more than a fifth to net asset

value and with a market capitalisation of £1bn there is always an outside chance that that they might attract a for-eign predator.

1.12 1. Con Sir Michael Herries

mooted in Water

Ball It Taxon a line

101 a 11 11 11 11 11 11

Ferburn -

A._...

. . . .

£....

1.14 267

155

1

1 200

1 B. 1

200

47.

18 LA

IS DETER

OUNCED

42.00 -

غ ک

-

理之

es (**

94

11

-a‡

- 4 Î

-

A19 60

Antonio (Colorador) Cherologica (Colorador) Cherologica (Colorador) Biligica (Colorador) Colorador (Colorador) Colorador (Colorador) La contra de la co

BLU Staveley will become part of less Fuels (a British Coal off-RTZ Chemicals, which said the shoot); and Norsk Hydro (UK).

P J Carroll shows 10% improvement to I£8.5m

P J Carroll and Company, Irish group involved in tobacco, aquaculture and direct marketing, has reported pre-fax prof-its for the year to September 30 1988 up 10 per cent from 197.73m to 198.5m (\$7.1m). Turnover fell 19 per cent from £280.76m to £226.93m.

Tobacco profits rose from £11.91m to £12.82m on sales of £55.5m (£56.7m) and the chair-

sation caused by a contracting Losses in the aquaculture division were reduced to 5645,000 (1242,000), hut losses in direct marketing rose to \$4.79m (\$3.27m). domestic market was complete

Murdoch attacks Wm Collins record

By Fiona Thompson

MR RUPERT MURDOCH claimed yesterday that William Collins lacked direction, was suffering from low staff morale and had seen profits in its core

businesses decline. The claims were made in the offer document posted to share-holders yesterday by Mr Mur-doch's News International, both a bottle which has launched a hostile 2294m cash bid for the 58.3 per cent of Collins it does not

already own. Mr Ian Chapman, chairman of the Glasgow-based pub-lisher, said last night he was astonished at the tone of the document. "The attack on the Collins management has been manufactured for this bid," he said. The talk about low morale was completely untrue, and there was no justification for the offer price. "It is a cheap bid aimed at bouncing shareholders."

The News International offer, made two weeks's ago, is 640p for each ordinary voting share and 535p for the non-vot-ing 'A' shares. On the day the bid was launched Collins' ordinary shares jumped 142p to 685p and the 'A' shares rose 116p to 569p. The climb has continued and last night the continued and last night the ordinary shares closed at 810p and the non-voters at 630p. News International has held

41.7 per cent of Collins since Mr Murdoch's unsuccessful

man said much of the reorgani-

A final dividend of 5.4p is recommended for a total of 8.2p (7.8p), on earnings per share of 10.7p (10p).

Mr Murdoch says in the offen

Issues cansing concern included the departure of eight key Collins' executives and the decline in the performa the core businesses. Only when the contribution from Harper & Rowe, the joint venture with News America, was included did this year's interim figures show any improvement over last year, the document said.

ket prices of the Colins' shares reflected "an unrealistic view" of what the company was worth and a "lack of compre-hension regarding the appro-priate premium to be paid for a company in which News holds over 41 per cent of the voting share capital."

Baker Harris rises

An 85 per cent increase to £1.94m (£1.05m) in interim pretax profits was reported by Baker Harris Saunders Group, chartered surveyor and commercial estate agent. Turnover was \$4.05m (\$2.33m) for the six months to October 31. Earnings per 10p share jumped to 10.7p (6.6p) and the interim dividend is raised from 2.25p to 3p.

1988 has been a year of record growth, with the Group's profits exceeding £300m for the first time, a strong performance which we intend not merely to sustain but improve upon in the future. Earnings per share are at an all time high of 67.1p and the board recommends a final dividend of 9.7p, giving a total for the year of 15.0p per share.

EXTENDING OUR GLOBAL REPRESENTATION

The imminent acquisition of Citizens Financial Group in the USA and our commercial links with Banco Santander Group in

FINANCIAL HIGHLIGHTS			
Results for the year	Year to	Year to	%
to 30th September, 1988	30,9.88	30.9.87	Change
Profit before taxation	£309.2	£197.2m	57
Profit attributable to			
ordinary shareholders	£192.5	£128.2m	50
Total assets	£21.7bn	£19.1bn	13
Earnings per 25p ordinary share	67.1p	45.0p	• 49
Dividends per ordinary share	15.0p	12.7p	18
Dividend cover (times)	x4.5	x3.5	29

Spain will broaden our international horizons dramatically. The Group's representation extends beyond the United Kingdom to the financial markets of the world, but we remain firmly thirled to our roots with our head office in Edinburgh.

WE CAN BEST ACHIEVE REWARDS AS A GROUP

Our objective is to remain an independent Group offering an increasingly wide variety of services and possessing a unique blend of individual cultures and skills.

The Group's interests today extend well beyond those of a traditional clearing bank to merchant banking, venture and development capital, stockbroking, instalment credit, leasing, factoring, credit card

Profits increased by 57% to £309.2m.

- Total income increased by 15% to £889.8m.
- Dividend raised by 18% to 15p.
- Earnings per share increased by 49% to 67.1p.

operations, travel services, insurance and investment management.

Each division within the Group is successful, but it is collectively that their optimum development can be achieved. It is by drawing all the strengths of our subsidiaries together that we can best achieve rewards for our shareholders.

SUCCESS IN THE YEARS AHEAD

Our goal is prudent growth, development and success, with automation and technology assuming increasing importance. The wide variety of our markets will present numerous opportunities. We remain confident in the Group's strength, its adaptability to meet these challenges and its ability to succeed in the years ahead.

Sir Michael Herries, Chairman, The Royal Bank of Scotland Group plc.

first bid for the publisher in

document that stronger direc-tion is needed at Collins.

The current "inflated" mar-ket prices of the Collins' shares

UK COMPANY NEWS

'n.

MEPC assets show 36% growth

By William Cochrane

° 34

MEPC, Britain's second biggest property company, produced results in line with most ana-lysts' expectations yesterday. It said that prospects were good, emphasised the scale of its development programme and calmed any worries that share-holders might have about the climb in floating interest rates. Pre-tax profits, including a full year's contribution from the Oldham Estate acquisition for the first time, were 31 per

cent higher at £104.8m. Earn-ings per share rose by 15 per cent to 22p and the dividend for the year is lifted from 13p to 14.5p a share with a final of 11p (0.5m)

11p (9.75p). The outstanding figure, how-ever, was in the assets performance. Commenting on the 36.4 per cent jump in net assets from 533p to 727p a share, Mr James Tuckey, managing director, said yesterday that

Sidlaw profits

double to £5.6m

Sidlaw Group, textiles and

oil-services concern, continued

most brokers' analysts were pitching their forecasts below this figure a month ago, before the Rodamco bid for Hammerson raised the temperature in the stock market.

· • • • • • • • •

·····

pared with a current figure for total group property assets of £3bn plus. "Projects with a cost of

2860m are already under way," he said "and several other An annual revaluation of major projects will be announced shortly on proper-ties already owned. We expect investment properties, at £2.76hn, showed a surplus of £506m last year, with a power-house performance from the UK, which lifted its share by 33 that the valuations on comple-tion will considerably enhance net asset value per share." per cent and now accounts for some 30 per cent of the total. Furthermore, MEPC noted that developmants and trading properties totalling £43im have He added that the group was

in control of its funding. "In the current climate, where government economic policy to control inflation has resulted not been valued and continue to be held in the balance sheet in a period of high interest rates, the group is well placed for the future with 85 per cent at cost or prior year valuation. The company also has a big development programme for its size. Sir Christopher Benson, of its debt at fixed rates of interest, at an average cost of chairman, said in his state-10% per cent." ment that the estimated cost of the group's development pro-gramme was £1.2bn. This com-Sir Christopher concluded that the prospects for the cur-rent year were encouraging.

Reorganisation benefits

show at Monks & Crane

· COMMENT

One of the poorer areas in the MEPC valuation is the City of London, and even that has managed an 18 per cent increase. The City's rental performance was clearly stronger than that, for valuation yields have increased by a quarter to e half of a percentage point: "reflecting institutional perts for the City in view of prospective increases in supply of office space, and the possible consequences of the stock market crash in October 1987." MEPC is biting the bullethere, for its Alban Gate development - 350,000 sq ft. bridging Lon-don Wall and still not pre-ist is an important component of its development prospects. Thankfully, last year's Oidham acquisition brought more West End than City property into the portfolio.

Evode sells parts arm to Evans Halshaw

By Richard Tomkins, Midlands Correspondent HALSHAW. EVANS Birmingbam-based motor dealer, has agreed to bny Supra Gronp, a car parts com-pany, from Evode, adhesives and speciality chemicals group, for £8.5m.

The Supra operation will be merged with Evans Halshaw's existing Moprod car parts operation, a fast-growing sup-plier of non-franchised parts to the after-market. Consideration for the deal

will be £6.5m in cash ~ fim deferred to the end of next year ~ and £2m in the form of 688,705 Evans Halshaw shares. Supra is a long-established distributor of motor compo-nents such as electrical, braking, steering, suspension and cooling parts. It also manufac-tures electrical components at a factory in Kettering, Nor-

Moprod has no manufacturing operations or any signifi-cant presence in the electrical

Europa Minerals for market

Supra Chemicals and Paints and Gomet.

of October. They are being bought on an

Further acquisitions soon as Erskine House rises to £4.8m By Andrew Hill

ERSKINE HOUSE Group, the fecsimile and photocopier machines distributor which machines distributor which has bought nine companies since its March year-end, announced a 23 per cent increase in pre-tax profits to \$4.84m in the six months to September 30, against \$3.92m in the equivalent period, material to account for more

ers.

restated to account for merg-Six of tha ecquisitions, including the £22m purchase of Quest, the computer products supplier which makes about half its sales in the Soviat

Union, have taken place since the end of September. Mr Brian McGillivray, Erskine'a chairman, said the group might add four more companies to its office equipment distribution network, with acquisitions in West Gertime. many and the US planned before the end of 1988. Erskine's second half is traditionally stronger than the first six months.

Mr McGillivray was particu-larly pleased with the first-half

ISSUE NEWS

By Philip Coggan

performance of the US subsid-iaries, the profits of which rose from £1.39m to £1.59m. Hs said US profits would have been about £200,000 higher but for the effect of translation from US dollars to sterling, and he added that between \$150,000 and \$200,000 had gone in addi-tionai group management charges in the US.

Group turnover rose from a restated £49.81m to £57.34m, of which 38 per cent (33 per cent) represented sales in the US. Earnings per share rose 5 per

cent to 8.7p (8.3p), held back by the issue of £25m of cumulative convartible preference shares in July.

The directors have declared an interim dividend of 1.9p per share, compared with 1.6p last

An extraordinary profit of £871,000, against a loss of £273,000 in the equivalent period, represented the sale of the pest control business to Mowlem, international construction group, in June.

ful of acquisitions to come before the New Year, including the long-awaited move into West Germany. These results were slightly below expectations as a result of one-off man-agoment charges in the US and investment in a quality train-ing programme in the UK, but the traditionally stronger sec-ond half promises to show the benefits of recent expansion. In the longer term, Erskine's growth is unlikely to be affected by rising interest rates or recession: clients still need their facsimile and photocopying machines serviced, even if investment in new equipment is cut. Analysis are looking at upward of £15m for the fullyear, putting the shares, which dropped 2p to 210p yesterday, on a prospectivo p/e of about 9.5 - not too demanding,

Erskino's rapid expansion

looks like slowing in 1989, although there are still a hand-

& COMMENT

although they may mark time while recent purchases aro consolidated.

By Richard Tomkins, Midlands Correspondent its recovery with pre-tax profits doubling from £2.8m to £5.6m in the year to the end of September 1988. Turnover was 14 per cent higher at £64m. Earnings per share came out MONKS & Crane, the said the final stages of the at 17.3p (9.2p) and the directors

are proposing a final dividend of 4.25p (3.5p) for a total pay-ment for the year of 7p (5.5p). Directors said the results reflected the continuing recovery in oil services, where oper-

ating profits were £2.5m higher at £4.6m, and e steady perfor-mance from textiles with prof-Minter Changed at £LSm. Mr Digby Morrow, chief executiva, said Sidlaw had emerged from a couple of diffi-

cult years with two well-managed divisions where current trading conditions were healthy.

.

USM-quoted supplier of indus-trial tools and fixings, began showing the fruits of last year's expansion and reorganisation in the six months to end-September. Pre-tax profits rose from £1.01m to £1.22m ou turnover

up from £17.19m to £23.18m. Earnings per share grew by only 0.2p to 4.4p because of output. shares issued for last year's three acquisitions, but the interim dividend is raised from 1.2p to 1.3p.

The group, based in West Bromwich, West Midlands, reported static profits of £2.01m in the year to March because of the reorganisation that accom-panied its acquisitions. half," Mr Spacie said. Mr Albert Spacie, chairman,

masonry nail and woodscrew factory in Arley, Coventry, was also complete and had led to a 20 per cent increase in £19.52m (£20.48m). Mr John Cowen, chairman, said the slight downturn in turnover represented the disposal of Bore Steel, which had contrib-uted sales of £11.9m in the pre-Roughly half the sales and profits increase was attribut-able to acquisitions, Mr Spacie said, while existing husinesses had been huoyed hy strong demand from the engineering and construction industries. vious period.

After tax of £435,000 (£238,000), earnings per 10p share on a sharply increased capital resulting from last year's merger with Ratcliffe Industries worked through at Octohar and November have been good months, and if Industries, worked through at 2.51p (3.3p). The interim diviwe get a mild winter, we are lonking at a strong second dend is doubled to 1.2p.

October 1.

United Inds up 54% to £1.26m

United Industriee, West thamptonshire. Midlands-hased spring manu-facturer, steel stockholder and processor, yesterday announced pre-tax profits of £1.25m for the six months to

components market. Evans Halshaw believes the two companies will complement one

The outcome, a rise of 54 per another and provide the opporcent on the £813,000 achieved in the half year to end-Septem-ber 1987, came on turnover of tunity to apply Moprod's mar-keting strengths to Supra's brands.

Evode bought Supra in Jan-nary 1987 for £15m and is retaining its speciality chemi-cals side, which consists of

reported pre-tax profits of £1.2m for the year to the end

exit multiple of 10.8 and should provide an immediate and Osmondcroft. Production

EUROPA MINERALS, a A significant proportion of the coal mined at the pits is in the form of jump coal which sells at around doubla the price of fine coal.

Mr David Hood, the execu-tive chairman, does not believe that, following the privatisa-tion of electricity, the CEGB will import significant quantiwhen account is taken of trans-

ted that by early 1969, it should be around 1400 tons a week, equivalent to 65,000 tons a

tion of assets. But coal is not the only business of the group, Europa's strategy is to create a balanced mining finance group with the three coal mining businesses generating the cash to fund tha precious metals exploration

activities. The currant axploration activities are centered almost entirely in Western Europe and the US. Europa's interests include a joint venture with Hecla Mining, exploring for gold in Montana; a platnum prospect in Bavaria; a joint venture exploration for gold in Alburquarque, Spain; and a gold concession at the mouth of the Pra river in Ghana.

Europa also has a 22.7 per cent stake in Dana Exploration, an Irish exploration group, which has interests in Ireland, Ghana and Botswana. Kleinwort Benson is placing 5.5m shares in Europa, around 40 per cent of the equity, at 110p each. Analysts are forecasting that the group will have net asscts of around £22m, compared with a market

capitalisation of just under

Developing and managing property internationally

P

E

company's development plans had now been implemented.

The new distribution centre

The refurbishment of its

was fully operational.

USM quote for Metro Radio

By Fiona Thompson

METRO RADIO Group, the then loss making This Radio in operator of the only two inde-pendent local radio franchises in the north-east of England, is areas of the two stations have joining the USM via a placing which values the company at £10.4m

ties of foreign coal. In dollar terms, foreign coal is not sig-nificantly cheaper, especially port costs. Europa also believes that the eventual privatisation of Brit-ish Coal is likely to present opportunities for the acquisi-

126,000 tons per annum. Europa estimates recoverable reserves at 1.5m tons and potentially recoverable reserves of a further 3.8m tons.

year. When the funds are received from the placing, that should enable the group to boost the annualised production rate to

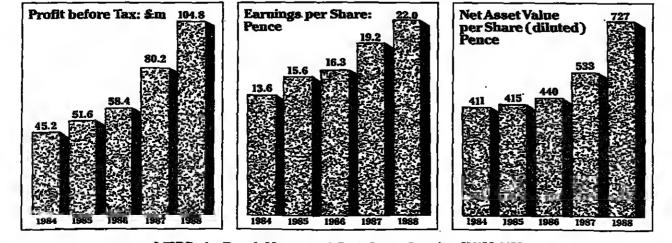
was running at around 500 tons a week when the mines enhancement of Evans Halshaw's earnings per share. were acquired hut it is expec-

mining finance company, is set to join the main market today in a placing which will value the group at around £15m. At present, the group'a main business is private coal mining in the UK through the opera-tion of three drift mines at Supra's car parts operations Draycott Cross, Acres Nook

is no gimmic

It produces results

SUMMARY OF GROUP RESULTS	1988 £'m	1987 £'m	% Increase
Gross rents and other income	252.7	195.4	29.3
Profit before taxation	104.8	80.2	30.7
Taxation	32.2	25.8	
Profit attributable to ordinary shareholders	69.8	53.5	30.5
Earnings per share	22.0p	19.2p	14.6
Net dividends per share	14.5p	13.0p	11.5
Net asset value per share (diluted	d) 727p	533p	36.4



MEPC plc, Brook House, 113 Park Lane, London W1Y 4AY

£10.4m. County NatWest Wood Mackenzie is placing 1.82m shares, representing 19.2 per cent of the enlarged share capi-tal, at 110p. All the shares being placed are new, and as such will raise £1.75m for the company.

The group's two stations are Metro Radio, covering Tyne and Wear, and Tim Radio, serving south Durham, Cleve-land and North Yorkshire, The company was incorporated in 1973 to apply for the radio fran-chise covering Tyne and Wear. The IBA granted the franchise in late-1973 and Metro Radio started broadcasting in mid-1974. The group acquired the

a population of 2.18m adults. Metro Radio's regular weekly audience of 687,000 represents 48 per cent of the potential lis-teners. They tune in for an average 13.6 hours a week. The station is particularly popular with the 15-to-34 age group. Tim's weekly andience is 300,000, representing 32 per cent, and the average listening time is 13.5 hours.

Both stations hroadcast 24 hours a day, seven days a week. Programme output is three-quarters music ~ mainly pop, with some jazz, rock and classical - interspersed with local information, news, travel and weather information,

from the creation and production of commercials and from sales promotion.

In the four years from 1985 to 1988, pre-tax profits have grown from £121,000 to £1m, on sales up from £2.23m to £5.38m. At the placing price the shares are on an historic p/e of 12.8. According to Mr Neil Robin-

son, managing director, the new money raised will be used "to put ourselves in the best possible position" to take advantage of the changes pro-posed in the White Paper on hroadcasting. The Govern-ment's proposals include the setting up of three national commercial radio stations, and contractors will be allowed to control up to six local and one national station.

Apollo to join USM valued at £7.63m

Apollo was founded in 1971

and was the subject of a huy-out in 1985 promoted by the company's present full time

executive directors. Apollo sup-plice processed aluminium

plate and bar to high-technology engineering companies, operating particularly in the defence and aerospace indus-

The group, employing 100 people, operates from sites in Birmingham, London and Man-

approximately £401,500.

By Flona Thompson

METALS, to reduce other borrowings by APOLLO Birmingham hased processor and distributor of aluminium plate and bar, is coming to the

Unlisted Securities Market. Griffiths and Lamb, Birmingham stockbroker, is placing ham stockbroker, is placing 4.31m ordinary shares, repre-senting 37.7 per cent of the enlarged ordinary share capi-tal, at 58p each, and Im con-vertible preference shares at 100p each. The placing values the company at £7.63m. All the shares being placed are new, and will raise £3.23m for the company. This will be

for the company. This will be chester. It is an approved sup-plier to British Aerospace, Fer-ranti, Marconi, Lucas used to reconstruct the company'e capital base, to repay a £1.5m medium-term loan, and

Aerospace, Royal Ordnance, and Westland Helicopters.

Following the major fall In aluminium sheet prices in 1985, the directors sought to minimise the effects by concentrating increasingly on its high specification products, which are less susceptible to the price fluctuations suffered by commercial aluminium sheet.

For the year to September 30 1988, Apollo reported pre-tax profits of £928,000 on sales of £14.39m, up from profits of \$317,000 on turnover of £10.4im in 1986. On a pro-forma basis, the shares, at the placing price, are on a p/e of 9.96.

Strong demand helps Ritz rise

Anglesey Mining begins second phase planning

tries.

By Kenneth Gooding, Mining Correspondent

25.6m with a share placing and offer for sale six months ago, said yesterday that its base metals project at Parys Moun-tain, Anglesey was "on budget and ahead of schedule."

Mr Hugh Morris, chairman and chief executive, was confi-dent that the current momen-

tum would be maintained. The project's first phase should be completed ou time in 1991. Planning bad begun for the second phase, which would fea-ture the construction of a sur-face one concentrator and face ore concentrator and related facilities, further mine development and the begining

of commercial production. Anglesey is 60 per cent-owned hy Imperial Metals,

Canadian group. Current min-eral reserves at Parys Mounrates.

Anglesey Mining, which raised tain are estimated to be 4.8m copper, 3 per cent lead, 6 per cent zinc plus 57 grams per ton of silver and 0.4 grams per ton of silver and 0.4 grams per ton of gold. This would support e minimum mine life of 14 years if 350,000 tons of ore a year was £10.94m. processed

In his first interim state-ment, Mr Morris pointed out that all development costs of the project were being capital-ised. Interest income from term deposits was the only current source of income so no profit and loss account had been pre-nared.

During tha six months to September 30 the company's working capital increased to £4.775m and it was benefiting from present high UK interest

Story Tose 25 per cent to fload. Ritz, which came to the main market in September, manufac-tures lingerie, biouses and nigbtwear with Marks and Spencer accounting for some 70 per cent of sales. Mr Richard Clemons, chair-man, said the underwear divi-eion performed particularly well with sales 40 per cent higher. Demand for nightwear was increasing rapidly, but margins at the hlouse division had come under pressure. Earnings per chare were 5p. A dividend of 2p is forecast for the full year.

and the second second



3S

ĨT.

8m

pid expansio ou jag in are still a lione

ket

ior21:

355.15 DVA CO

ation of just ung

ladio

t £1

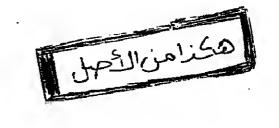
rrent exploration are centered along Western European Europa's interest joint venture wh

FINANCIAL TIMES FRIDAY DECEMBER 2 1988

demanding may mark the purchases an

ICELAND **FROZEN FOODS**

COMPANY OF THE YEAR 1988 BUSINESS ENTERPRISE AWARD



63m

rong demand lps Ritz rise \$650.000

Approved by NMRothschild & Sons Limited a member of The Securities Association.

TICH FINANCIAL TIMES FRIDAY DECEMBER 2 1988 WHICH FT DIARY WILL YOU CHOOSE WITH OVER 100 PAGES OF FOR 1989? $\sum_{i=1}^{n}$

METICULOUSLY RESEARCHED **INFORMATION - PRESENTED** IN A CHOICE OF 4 SUPERB FINISHES – THE FINANCIAL TIMES DIARY MUST BE YOUR CHOICE FOR 1989

AN INDISPENSABLE **BUSINESS TOOL**

Apart from making day-to-day planning simpler and more efficient, the Financial Times Desk Diary is indispensable as a permanently ready reference source. In fact, it's like having an international business data base on hand whenever you need it.

New, subtle improvements in design and layout give 30% more space on the day-to-day and notes pages. Also, to ensure that the data in the FT Diary is right up to the minute, we've added information that reflects changes in the world's financial markets.

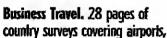
As you would expect from a highly respected newspaper like the Financial Times, information has been meticulously researched with everything easy to find and clearly laid out.

Whether you need key statistical data, business vocabulary in German, French or Spanish or to know which airlines fly to a particular city, the diary will fell you. It can help you plan your trip to the finest detail with useful information on visas, customs, business hours and local holidays, for example, in over 55 countries.

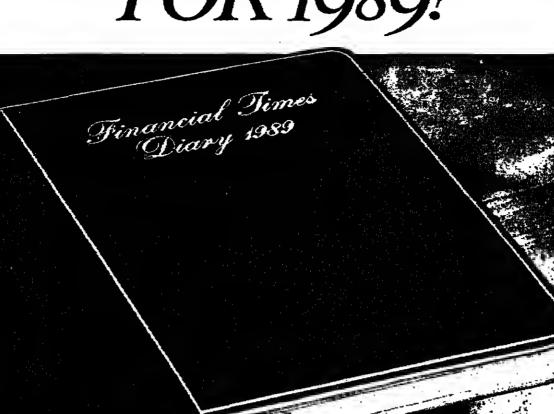
THE CONTENTS THAT MAKE IT MORE THAN A DIARY

Business Directory. Contains glossaries of the stock market, financial and computer industries. Lists top 100 major

international banks, computerised databases and world stock markets, UK unit trusts, UK insurance and pension funds and other major international organisations.



transport, car hire, hotels, visa regulations, currency regulations, business hours and useful addresses, business vocabulary In four languages, world time differences, maps of the financial





THE FT WALLET

The FT Wallet with its distinctive three-fold design is elegantly styled in black or burgundy leather with a moire silk lining, gitt corners and a handy notepad.

THE PINK DESK DIARY AND POCKET DIARY



etro-

Produced in response to the demand for a smaller more portable FT Diary, the FT Pink Desk Diary with its FT pink pages and innovative format is quite unique. Its distinctive size and shape make it equally at home on a desk or in a briefcase. The page-a-day layout gives you ample space for notes and business expenses. Although more compact than its standard counterpart, it contains much of the same information.

The FT Pink Pocket Diary with its unique landscape format and the same information as the standard pocket diary is hugely popular. It is covered in a superior man-made material with the look and feel of soft leather.

A specially designed larger sized matching wallet is also available to contain the FT Pink Pocket Diary.



PERSONAL ORGANISER New and exclusive to the

Financial Times, FT Factminder is the ultimate in business gifts. Beautifully produced with a black or burgundy leather cover, it has 1" gilt rings and ample pocket space for papers, bank notes and credit notes and credit or business cards. There are FT Pink card dividers which index the



5 fully comprehensive paper sections, including a fortnight-to-view Diary, Notes, Expenses, Addresses and Information (maps, UK and overseas business centre guides and other useful facts).

Available only when you buy a lotal of more than 25 items from the

Diary Range, FT Factminder is the perfect business gift. And, refill packs



districts of the world's major Business Centres and climatic conditions in 78 international cities.

The Diary. Includes 4-page planner, business and motor expense. tables. Diary runs from 28 November 1988 to 28 January 1990, showing 7 days at a glance, international public holidays. number of days passed and left in the year - together with tax and calendar week numbers. Plus four months of the 1989 calendar on each page.

Statistics and Analysis, Graphs showing the FT Ordinary Share Index, FT Actuaries British Government All-Stocks Index, FT-SE 100 Index. London Dow Jones Industrial Average Index and the Standard and Poors 500 Composite Index for New York and the Nikkei Average Index for Tokyo. A Guide to FT Statistics defines the indices found in the Financial Times. Weekly analysis chart for scheduling and planning over a year. Includes weights and measures, international clothing sizes, metric conversions and graph paper for your own analyses.

World Atlas with 48 pages of maps in full colour.

Indexed Address/Telephone Directory - with international dialling codes.

THE DIARY OF THE YEAR - IN THE BINDING OF YOUR CHOICE



According to your taste and budget there's a selection of cover bindings - Rich Black Leather, Burgundy Bonded Leather or Black Leathercloth. And for those who want the ultimate in quality and craftsmanship there's the Chairman's Set, consisting of a matching desk and pocket diary, bound in sumptuous rich brown leather with fine gold tooling.

THE FT POCKET DIARY

The FT Pocket Diary contains details of international business centres, hotels, restaurants, UK airports and much, much more. In a choice of three bindings to match the Desk Diary.



and the second s
All advantages in the second

UKDEK FUKM

Company

Posific

Please tick where applicable. I wish to place a firm order as detailed below

Name (Mr/Mrs/Miss/Ms)____

7th Floor, 50-64 Broadway, St. James's Park, London SW 1H ODB. Tel: 01-799 2002, Telex: 927282 FINTIMG, Fax: 01-799 2263. piete your orde

Indicate the number and type of diary-organiser you require. For orders of less than 25 items, please refer to the Worresses price hands. For orders of 25 denss or more, please refer to the relevant discound hand,
 Indicate how many items you wish to have gold-blocked with your names, indicate sod/or logos.
 If your order totals less than £150, please complete the payment default before.

DISCOUNTS APPLY TO THE TOTAL NUMBER OF ITEMS ORDERED FROM THE RANGE

unts shown below apply when your order totals more than 25 items: the prices eachnes postage, packaging and VAI. Healing the must economical way of despatching your goods and add Rus charge (plus VAI, where applicable) to your he psynexis tarms are not monthly.

Cardholder's sign

Addre				R.K.	EVERSEAS		DISCOS	NT BANDS			
Posico Signeci	ostcodeTelephone: igned	PRICE ON A HUTAL OF 1-24	PRICE ON A TOTAL OF 1-24	8% SAVING	10% SAVING	14% SAVING	17% saving	25% saving			
CODE			TYPE OF DIARY	(Inc PUP - & VAE)	(inc.P&P eac VAI)	25-49 81845	50-99 ITEMS	100-249 ITENS	250-499 ITEMS	+ 002 2M3TR	
_	07171	0506	Chairman's Set (Desk and Pocket Diary), brown leather	£107.75	£103.80	£81.33	£79.56	£76.02	£73.37	£66.30	
_	07006		Desk Diary, black leather	£55.94	£56.75	£42.60	EA1.67	£39.82	E38.43	£34,72	
	07018		Dask Diary, burgandy bonded leather	£36.62	£39.95	£27.14	£26.55	£25.37	£24.48	£22.12	
DP	07286	2320	FT Pink Desk Diary, black bonded leather, pink pages, page-a-day	£25.07	£29.90	£18.22	£17.82	£17.03	£16.44	£14.85	
BC I	07020	0499	Desk Diary, black leathercloth	£20.47	£25.85	£14.44	£14.13	£13.50	£13.03	£11.77	
PL.	07031	0457	Pocket Diary, black leather	E11.44	£10.95	£8.74	£8.55	£8.17	£7.88	£7.12	
99	07274	2141	FT Pink Pockel Diary, black cover, pink pages	£11.04	£10.60	£8.37	£8.19	£7.86	£7.55	£6.82	
PB	07043	0481	Pocket Diary, burgundy bonded leather	£10.86	£10.45	£8.23	£8.06	£7.70	£7.43	£6.71	
PC	07262	0561	Pochet Diary, black leathercloth	£10.17	£9.85	. £7.68	£7.51	£7.18	£6.93	£6.26	
WP	07316	2335	Wallet, black leafker, fils PP	522.94	\$20.95	£17.89	£17.50	£16.73	£16.14	E14.59	
WB	07304	2330	Wallet, burgundy leather, fils PB	£21.21	E19.45	£16.51	£16.15	£15.44	£14.90	E13.46	
WA,	07298	2325	Wallet, black leather, fils PL and PC	521.21	£19.45	£16.51	£16.15	<u>£15.44</u>	£14.90	£13.46	
FBL.	-		Facturinder, black leather personal organiser	N/A	N/A	£26.95	526.37	£25.20	24.32	£21.98	
FBG :	_		Factminder, burgundy leather personal organiser	N/A	N/A	£26.95	£26.37	£25.20	£24.32	£21.98	
			the state of the s	L		TOTAL HU	GER OF ITEM	GRDERED			
Dold	RIOC	king 1	nitials/Sumame (optional extra)								QTY
Per	socialise	d gifts a	se much appreciated and cost very filtile extre	1-24 (U.K.)	1-24 (Overseas)	25-49	50-99	100-249	250-499	500 +	
la)	iak and S	urname	(only available on diaries)	\$3.56	£3.10	£2.85	\$2.79	£2.67	5251	62.32	
hit	ials only			£1.78	£1.55	£1.43	£1.40	£1.34	£1.29	£1.17	

Please enter The Chairman's Set consists of two items therefore blocking charge is double. We regret refunds cannot be given for gold blocked items.

Gold Blocking of your Company logo (optional extra)

There is an origination charge of £30 per order. If you supply your own blocking brass or If we hold a brass from previous years, we'll give you a £20 reduction. If you require logos on two different sizes of product it may be necessary to have two different sized logos.			NOHIBER OF ITEMS TO BE BLOCKED					[
	1-24 (U.K.)	(Overseas)	25-49	50-99	100-249	250-499	500	QTY
	N/A	NA	The proc	The process of goldblocking your chartes organisers is FREE				
Block for your logo Personal Greetings								
Block Artwork Letterbead Sketch Block enclosed enclosed enclosed		Block you hold	We cha	will be debyt trige. Tick box	nted to naciade si required and	your greetings enclose there v	cards or compli rith your despa	iment slips tree o Ich list,
Your own publicity material in Diartes or Organisers Forther enhance your company image by creating your own edition FT Diary or FT Organiser. You can cost-effectively insert publicity material in your diary or organiser, in colour or black and white, of actions information to promote your company stronghout the year. Please telephone to docum your requirements, or sond us a rough design.				Despatch N				
				Date received: Roadfine Consignment No:				
How to pay: Payment must accompany order, except on orders over £150 (excl. VAT) from UK registered companies which will be invoiced. Payment should be drawn on a Sterling/US Dollar account made payable to 'FT Business Information Ltd.'				TELEPHONE ORDERS FOR LESS THAN 25 ITEMS: TELEPHONE ORDERS FOR LESS THAN 25 ITEMS: 01-799 2274 with your credit/charge card details				
Tick method of payment Choose Story Story Control Story Co								
(If the Initiang address differs from the above, please notify ns.) (If the Initiang address differs from the above, please notify ns.) (Please complete, as your order may be returned if eggery date is not shown.				Carcholder's name (BLOCK CAPITALS):				
					_			

FOR FURTHER INFORMATION ON BULK ORDERS, PLEASE RING JEL, MICHELLE OR DEBBIE ON 01-799 2269 OR 01-799 2002

Please return to: FT Collection, Financial Times Business Information Ltd.

THE WORLD'S MOST APPRECIATED

BUSINESS GIFTS

will be available for your clients from 1989.

FT Diaries will be doubly welcome if they are personalised with the recipient's name or initials in high quality, long-lasting goldblocking. It's this kind of personal touch that makes an FT Diary even more acceptable.



Or you might wish to include your company name or logo - the perfect way of ensuring your clients will think of your company every working day. We can also include a special eight-page section in the diaries - or more in Factminder - to promote your firm. In fact, for total exclusivity, we can produce any of our products in any colour or material.

THE FT COLLECTION – A TRADITION OF EXCELLENCE

Financial Times Diaries is just one range of superbly crafted items in the FT Collection. Other items include the acciaimed FT Factmaster personal time and task management system, a new range of boardroom Essentials and, new for 1989, the stylish FT Wall Calendar - destined to be the most sought after gift of the year!

Discounts of up to 25% on bulk orders - providing you order well in advance. To qualify, you must order 25 or more items from the same product range - the order form gives details. However, we do appreciate that it may be difficult to complete your final gift list early in the year. That's why we offer to reserve FT diaries and gifts for you without obligation or commitment. Contact us now on 01-799 2269.

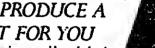
LET THE FT PRODUCE A SPECIAL GIFT FOR YOU

Why not use our experience and knowledge to have made up a specially commissioned gift of 34 your choice? Morgan Grenfell asked us to design and produce a fine quality investment portfolio for them. We'd welcome the opportunity of discussing any ideas you may have.

Send for the free FT Collection catalogue now. Write or telephone the FT Collection, 7th Floor, 50-64 Broadway, London SW1H ODS. Tel: 01-799 2002, or send a business card,



A TRADITION OF EXCELLENCE FT Business Information Ltd, Registered Office, Bracken House, 10 Cannon Street, London EC4P 4BY.





i design is

lliz eniora 6 di

e to the demand nk Desk Diary with

e unique, its

ome on a deskor

m ample space in

compact than its

same information

: landiscape format

tet diary is hugely

e material with the

ting wallet is also

285 300 ¹¹ 0006100 id ofter stat. 255 fron 25 'erstonis Stort And THE SEC

PRECINTED

06.78 N 3. the companies of 1-Dege St. X 171 as him in the in 15 Mary Constitution

tupets area but med F. Factoria State & State of Stat Hideoca - areas

WE LOW CONTRACTOR KONSTALL NO IS STATE 13 and 2-11 - 1- 1 12 ... States a state D1-799 1259

Â. ENCE

age 🗅

STATE YES THE THE

Dice St. + (35

2. **8.4**19⁻¹⁹⁰⁵

1 15

CARE NOT CONTRACT

\$

X9 a for the



FINANCIAL TIMES FRIDAY DECEMBER 2 1988

than most counties in the recession. thanks in particular to the attractions of Milton Keynes, Buckinghamshire is now riding an economic boom and

avoiding some of the development pressures affecting its South-East neighbours. Richard Donian reports

Triumph in **Metro-land**

BUCKINGHAMSHIRE Man, if such a creature exists, is faced with an identity problem in though it must be addresed. Thecounty is one of the fast-

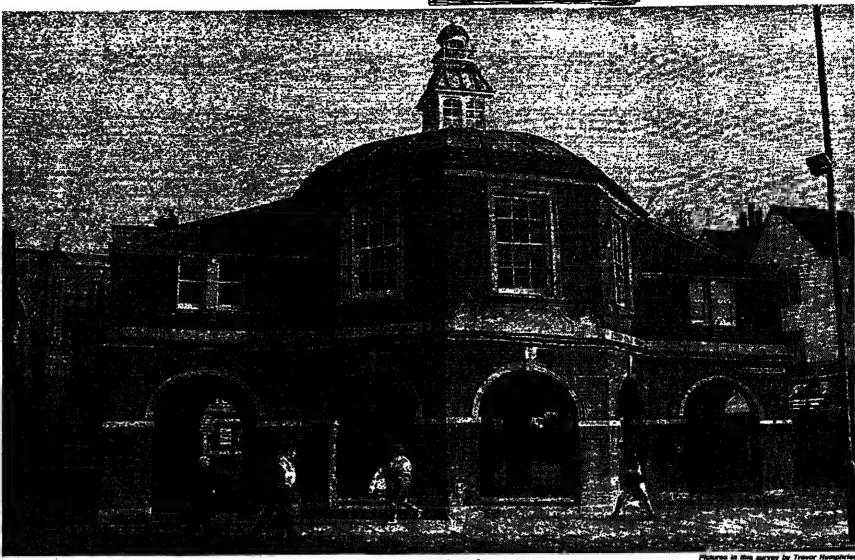
est rowing counties in Britan Estimates in mid-1987 this diverse county which boasts the fastest growing pop-ulation in Britain. Is he the showed the population was 621,90 compared with 612,900 young affinent New Town pio-neer of Milton Keynes? Is he the older affinent county stalthe revious year. The country's rate of growth between wart in the rural area of Ayles-1981and 1986 outstripped every bury Vale? Or is he part of the established affluence in the southern commuterland around Amersham, Chesham and Beaconstield? other in the country and was double the average for all shire counties in that period. This elongated county - 60 mies from north to south and

and Beaconsfield? miss from north to south and If Buckinghamshire Man is difficult to identify it is per-haps because, like the ducks in Aylesbury, he maintains a low profile lest too many people discover the lifestyle he enjoys. He does not generally lack shire and even less to the com-prosperity, or the means to mnterland and those estab-merces within a comit which lished communities and success within a county which. lished communities and suffered less than most in the industries around High recession and is riding an eco. Wycombe to the south of the nomic boom with fewer of the county.

county. In spite of this diversity the county maintains its indepengrinding pressures on planning and development affecting its neighbours in the South-Rast. The only cloud on the hordence through the isolation, to a certain degree, of its heart-land, While a framework of motorways line its eastern and zon - that of skill shortages ~ though becoming a reality, pr-ticularly in the south of ne county, has been with Bick-inghamshire before, and far of southern fringes, the county is not dissected by any important artery. South Backinghamshire

its businesses are so labur intensive that the difficuly of relies for its communications on the M25 and easy access to the M4 and M3. Milton Keynes attracting employees bed an overriding economic actor

> 3-21- Jan 54 فارجل الإخافة وبسار المتوفر اليسابة التهابات We have remained a state ಆರ್ಟ್ರೆ ಜ್ವಾಗ ಕ್ಷಣ್ಣ ಪ್ರತಿಕರ್ಷ ಮುಂದಿ ಮಾಡಿದ್ದ ಮಾಡಿದ್ದ ಮಾಡಿದ್ದ ಮಾಡಿದ್ದ ಮಾಡಿದ್ದ ಮಾಡಿದ್ದ ಮಾಡಿದ್ದ ಮಾಡಿದ್ದ ಮಾಡಿದ್ದ ಮ



هكذامنالأحل

One of the haunts of Buckinghamshire Man: Church Square in High Street, High Wycombe

Buckinghamshire

is heavily dependent on the M1, as of course is the rest of the county. For this reason the M40 extension to the M42 just M40 extension to the max just south of Birmingham is a cru-cial development issue, almost as much for its consequential relief of traffic congestion on the M1 as it is for its improved Views the Midlanda links to the Midlands.

The county is presently awaiting the outcome of a pub-lic inquiry into the proposed 12%-mile M40 link between Waterstock and Wendlehury, in neighbouring Oxfordshire. The Department of Transport is proposing a 256m two-lane section which has been strongly resisted by the county council and business organisations which argue that three-

This will not only allow for

ease of maintenance, hnt should also absorb the extra traffic generated hy those vehicles expected to divert from using the overloaded M1/ M6 link. The motorway has become so congested that, at peak times, traffic volumes on the southern sections of the M1 confine progress to a 40mph crawl. A decision on the final M42 section is expected from Mr Paul Channon, the Transport Secretary, by the end of the year allowing the new Lon-don-Birmingham motorway link to open in its entirety summer 1991. Access to Heathrow airport

Access to Heathrow apport is important for many of the businesses in the south of the county, though the option of a fifth runway for Heathrow is another live issue taxing the County Council: it is opposing

the proposal Mr Ed Schoon, the chief county planning officer, explained that a fifth runway would not only cause noise problems for neighbouring communities, it would neces-sarily attract new industries to a part of the county where the anthority is attempting apply the brakes to development. The county's strategic plan

is designed to protect the 500 sq km of metropolitan green belt at its border with London - part of the rural lifebelt established around the capital by the London and Home Counties Act of 1938. Green field development in the plan, presently awaiting approval by Mr Nicholas Ridley, the Environment Secretary, is to be channelled to Milton Keynes in the north and Princes Risbor-

ough and Aylesbury in mid-Buckinghamshire. Most cherished of all are the Chiltern Hills, designated as an Area of Outstanding Natural Beauty, and one of the most attractive parts of the country within an hour'e drive of the capital. Their very situation so close to the capital only underlines their environmental importance.

There is, however, scope for redevelopment of existing land in Buckinghamshire, achieved successfully in Aylesbury, for example, hy Equitable Life, which moved its administrative operations there from London in the late 1970s and now employs 870 administrative

The large blue glass Equita-ble Life office on Aylesbury's ring road, built on the site of a

former garage, characterises the opportunities available in the county. The high reputation of the county's schools has provided a rich source of recruits for such companies.

In observing the new it would be an injustice to over-look the established industry, particularly in the sonth of the county which has long been used to economic stability. High Wycombe has been the centre of Britain's furniture industry since the 17th Cen-tury when chair-making businesses developed there to take advantage of the swathes of unexploited beech wood.

At one time it would have been impossible to write of Buckinghamshire without mention of Slough, the subject of John Betjeman's cruel ode: "Come friendly bombs and fall

on Slough." The town was hived off from the county in the 1974 local government reorganisation, perhaps in the rec-ognition that economic devel-opment had swung to the brave new world of Milton Keynes, the butt of so many jokes, which on today's evi-dence appears as if it will have the last laugh. Anyone who hasn't yet been

to Milton Keynes should go there to witness a lifestyle quite unlike that in any other city in the UK (although Milton Keynes has neither the cathedral or the charter to call itself a city, it does so none the less, backed by its population which now stands at about 140,000). Its grid-iron streets conforming rigidly to the plans drawn up when it was first des-ignated in 1967, are lined with rows of parking spaces designed for convenience liv-ing. Once a visitor has overcome the culture shock of con-fronting what looks like a part of the US in the heart of England it becomes apparent why companies which have moved into Milton Keynes cre-ated 8,420 new jobs between April 1987 and April 1988, a record net growth, and contrib uted to 25,000 new jobs in the city over the last five years. New records are set continu

ally in Milton Keynes. Last year it attracted £190m invest-ment from private industry and there is much more to come. The Development Corpo-ration says that 46 per cent of the green field land (3,000 bect-ares) still awaiting development

ment. The city supports about 2,800 businesses, 1,500 of which were brought in by the corporation. Some 232 companies are for-eign owned (88 US, 28 Japa-nese). Provision of a school for Japanese children has helped the city build the largest con-centration of Japanese compa-nies in the UK outside London. The corporation strictly The corporation strictly adheres to the original plan -no high rise buildings, no use of aggregate concretes on exteriors - yet paradoxically it maintains that planning permission is not difficult to obtain.

There are those in Milton Keynes who would say pri-vately that the lack of locallyelected councillors to overview planning applications has something to do with this.

The city absorbes abont 1 per cent of the national house building total. About one in 25 new houses built in the South East is built here. With that kind of building

record it can be seen how Milton Keynes acts as a pressure valve for land development in Buckinghamshire, Mr Schoon said some people in Buckinghamshire would take issue with the argument that every Continued on next page

te de la composition 가족 가지 않는 것 - 특별 사람은 같은 수 있는 것을 많은 것이 있는 것을 알았다. - 특별 사람은 것은 것은 것을 같은 것을 알았다.

lane capacity at an extra cost of £4m is essential.

no incentive to move to Milton Keynes.

When you're looking for a new business location, everyone wants you. Some places want you so much they'll even offer you money to move there. Not Milton Keynes. All we'll offer you is the chance to join the fastest growing, most prosperous city in Britain. If you'd like to spend a day in Milton Keynes, call the Commercial Director on 0908 692692. We think when you've seen what it's got to offer, you'll need no other incentive.

. . .

Spend a day in M.K.

. i'

.

BUCKINGHAMSHIRE 2

the second second

Milton Keynes is the standard bearer of

ments and restaurants on a five acre site. Lord Delfont's First Leisure

company is to huild an lcerink, 10-pin bowling alley. dis-

cotheque and restaurant called the Leisure Plaza near the cen-

tral railway station. The com-plex should be completed in

1990. First of the new genera-tion of leisure complexes, bow-

ever. is the £3.5m nightclub,

restaurant and health club to be opened in November and

December by Living Well Health and Leisure. The devel-

opments will add spice to a 1m

sq ft shopping development which already attracts 250,000

shoppers a week. The outsider could be for-given for believing that Milton

Keynes is a somewhat secular society but plans for a central

Ecumenical Church, some-

thing which has always fea-

tured among the corporation's

aspirations, are well advanced.

has posed an economic prob-lem for Bnckingham County

Council which has seen the base population on which its

rate support grant is calcu-

lated continually ontstripped

cial year have risen 9.2 per cent on 1987/88 to 227.7p, reflecting a reduction in the

block grant from central gov-

ernment from £31.8m the pre-

vions year to £26.7m this year.

Even though the increase is

ahead of inflation it is not as

heavy as the 30 per cent rise imposed in 1986/87.

block grant met 26 per cent of the Council's overall expendi-

ture. By 1988-89, this figure

In 1985-86 the Government's

Rates in the present finan-

by real increases.

The city's population growth

MILTON KEYNES will lead Backinghamshire into the 21st century as the standard bearer of a burgeoning economy. By the year 2000, its population is evolution of the standard bearer of a burgeoning economy. By the year 2000, its population is evolution of the standard bearer of a burgeoning economy. By the year 2000, its population is evolution of the standard bearer of a burgeoning economy. By the year 2000, its population is evolution of the standard bearer of a burgeoning economy. By the year 2000, its population is evolution of the standard bearer the year 2000, its population is evolution of the standard bearer evolut

· · · · ·

38

of a burgeoning economy. By the year 2000, its population is expected to have grown to 200,000, making it the one of 15 largest cities in the coun-

try. The success story of the city, brainchild of the former Ayles-bury county planner. Mr Fred Dealer is an essential ingredi-

Pooley, is an essential ingredi-ent of Buckingham's economic

Milton Keynes was still in its infancy when the county

lost its other large town, Slongh, to Berkshire in the

1974 local government reor-

ganisation. Overnight the county lost 18 per cent of its population and 25 per cent of its rateable value.

The move, however, recoguised the growing importance of what was the last of the designated New Towns. Milton

Keynes' proximity to the newly established M1 motor-

way provided the umbilical

cord throngh which the

embryonic town grew from its population of 40,000 in 1967 to 140,000 today. Detractors point to the city's lack of character, tradition,

and history. There appears to be no focus to the city centre

and a newcomer can easily

become confused among the boulevards' conformist chec-

qner-board pattern layout.

Asking anyone the way can prove impossible since walk-

ways are divorced from the

roads as much as possible. Such observations in isolaads as much as possible.

tion would be unfair. The

Development Corporation's

rigid adherence to Pooley's dream means that the city's

very distinctive design is

moulding its own character. If the city lacks beart It is

something which will be spec-tacularly addressed over the

growth in the last 20 years

INDUSTRY AND COMMERCE

Attractive location for old and new A burgeoning economy opment including work ou the

BUCKINGHAMSHIRE'S industry must acknowledge the contribution made by the

Amersham by-pass and Ches-ham relief road, both impor-

tant infrastructure projects for the south of the county.

attracting a growing number of intelligent industries on the periphery. Eqoitable Life Assurance, for example, has

its administration offices here. Target Life Assurance is also

based here as is an interna-tional branch and the regional

offices of Lloyds Bank employ-

that mncb of the county

retains its rural heritage

although the grade three agri-cultural land is used mainly

for dairy farming. The real wealth is concentrated in its

industry and if the new money

is in the north the old money

The Thames Chiltern Cham-

ber of Commerce and Industry (CCi. to use its new logo) says

that unemployment in Ayles-bury and Wycombe is 2.8 per

cent compared with 4 per cent

the number of people between jobs it means that these areas

have virtually zero unemploy-

ment. There are far more vacancies than applicants on the register," said Mr Richard

Cross, the chamber's deputy

number one problem, exacer-bated by high bouse prices but

neither of these ills is peculiar

to sonth Bnckinghamshire.

"They are a demographic fact of life," said Mr Cross.

Fortunately for the county it

industries. Of Thames Chiltern

CCi's 2,500 members, 75 per

cent employ fewer than 100

Richard Donkin

The skill shortage is the

"Taking into consideration

It should not be overlocked

ing nearly 250 people...

is still in the south.

county wide.

director.

people.

High Wycombe is the tradi-tional bome of the industry Plans to pedestrianise the Aylesbury High Street give a with names such as Ercol, G-plan and Parker Knoll all to Ariesoury man Succe give a further hint of the pace of development in the county town which, while retaining its central character, is be found here among some 150 furniture companies in the area employing close on 4,000

people. The industry was established primarily on chair-making afforded by High Wycombe's beecb woodland. Most companies, according to Mr David Freeland, national secretary of the Britisb Furniture Manufacturers' Association, started as one-man operations.

He said: "They tended to grow from designer/craftsmen making fnrniture In their garages and back gardens and most are still owner-managed private companies."

Mr Lucian Ercolani, chairman of Ercol, which employs nearly 750 people at its High Wycombe factory, said locally grown beecbwood was still extensively used in the manufacturer of its high quality furniture.

An example of how one of the traditional Buckinghamshire industries has successfully adapted to high technol-ogy production methods is ans, of Wooburn Green near High Wycombe. The firm established in 1947 by Mr Bill Deane, making bedside lockers in a Nissen hut in his garden, has grown to become one of the area's most advanced business furniture companies with a 150-strong workforce.

Furniture, like most other industries in Sonth Buckinghamshire has suffered from skill shortages and high labour costs but increasing mechanisation is helping to make the bas few labonr-intensive industry less labour intensive and 80 per cent of furniture, companies employ fewer than. 100 people.

The restraint on development in the Sonth of the Furniture manufacture: a traditional industry which has adapted successfully to new techology and Dun and Bradstreet International to base their operations in the county.

advertising, public relations and exhibitions group, moved into a local cource when American photocopier and office furniture group, estab-lisbed one of the most advanced office environments in Europe when it opened its 250,000 sq ft international headquarters at Parkway, Marlow,

> Key factors in the decision to settle there were the advanced telecommunications facilities available in the area and the valleys.

The growth of information technology industries along tion company, is siting its new £31m European headquarters in the decision of Rank Xerox on a 12-acre site at Booker,

font. The company is one of the county's largest employers with nearly 1,500 staff.

FINANCIAL TIMES FRIDAY DECEMBER 2 1988

Ane

While the agriculture has the most visible presence in the Aylesbury Vale district modern industrial estates at Aylesbury have attracted many companies to the area. Such established names as Carreras Rothman, CBS records, Cadbury-Schweppes, Nestles and the Bifurcated and Tubular Rivet Company are located there.

CBS came to the area in 1964 when it bought Oriole records at Aston Clinton. Its Aylesbury factory, opened in 1970, now employs 700 people and manu-facturers 56m records a year and 26m cassette tapes.

Printing is one of the older established industrics in the area, Hazel, Watson and Viney, the printers, are one of Ayles-bury's oldest established companies. Prominent within the rural area is the London Brick Company at Calvert.

Excepting the provision within the structure plan for some greenfield development around Aylesbury and Princes Risborough, new industry is being channelled wherever possible to the north of the county. The Milton Kaynes expects to employ about 800 people when the three-pased move is complete in early 1990. Development Corporation has successfully attracted international investment in the city -Volkswagen and Mercedes Benz both have their UK headquarters there - but the flow-ering of home-grown businesses is another part of the success story.

transfer of its computer cente from Harefield, Middlesex eary Peat Marwick McLintock, for example, is handling the share Good rail links in the sout launches of three Milton of the county, particularly the Metropolitan line on the Lon Keynes companies which have decided to go public. Erostin, don underground running out the property development com-to Amersbam, have allowed pany, has already done so and businesses in the area to forge Bletchley Motors, car dealers, close links with London. Amer- and Dawsongroup, commercial sham international, the health vehicle dealers, are following hard on its beels. products group, has its head-quarters in nearby Little Chal-

Richard Donkin

seph Paxton, creator of Crysta Palace, and one of three Rthschild mansions in the Vap of Aylesbury.

addesdon Manor was built as French-style chateau for Bary Ferdinand de Rothschild in 174 to 1889, and Ascott Hous, near Wing, was enlared for the Rothschilds in the 1sh century and the family stil lives there.

John Milton fled the plague of Londa in 1665 to go to Chalfont St.Giles where he completed Pradise Lost and began Paradise legained. His cottage

Add to thes some of the

most outstandig areas of nat-

ural beauty in the Chilterns and the ThamesValley and it is clear that they should be a

THREE million people visit the Black and Langley country parks in Buckinghamshire every year, making the county a major leisure operator. The visitors considerably outnum-ber the 185,000 people wbo went to Bekonscot model vil-lage in Beaconsfield, which last year reached the eight place in the top twenty attrac-tions for the Thames & Chil-

terns Tourist Board region. The discrepancy reflects the still largely undeveloped tour-ism industry in Buckinghamshire, which has managed nevertheless to do well out of the

was reduced to 9 per cent. While, as in all anthorities, education absorbs the lion's next three years. Already established is a 10-screen cinema called The Point, and share of the budget, £21.2m is early next year Mr Richard committed to highways devel-Local authorities have been urged to attract more visitors to create wealth and job opportunities

and Oxon, is not a particularly important holiday destination. for British people, but it attracts a major share of the overseas tourist trade, Royal Berkshire provides the chief attractions, but Bucks more than holds up its own. in 1987, the region attracted

the country parks, it is difficult to get at figures about tourism shire's share was 130,000 tour-ist trips, 1.3m tourist nights and expenditure of £24m. The in Buckingbamshire, largely because the county has only recently woken up to the potential. The district councils borough is now embarking on a programme to translate the consultants' recommendations on the other band, have into action. Chief among the

County wakes up to its tourism potential total of £10.5m spent by domes of Bucks, Beds, Berks, Herts ure, with 170,000 overseas visitors staying for 1.8m nights. tic and overseas tourists in Apart from the popularity of England in 1986, Buckingham-

premise

motorways.

the Thames Valley is reflected

county has led to a number of novel solutions. Marketing Spectrum, a Marlow-based Rank Xerox, the Anglo

expansion plans forced the company to look for larger The company is spending more than £250,000 transforming Old Trinity Church in 1987.

designed originally by Sir George Gilbert Scott, the Victorian architect responsible for the Albert Memorial and the red telephone box. The new suit of offices in three-quarters of an acre is typical of the sort of industry attracted by ease of access to the M4, M40 and M25

high density of technology related companies already situ-ated in nearby in what has become one of Britain's silicon

Dun and Bradstreet Interna-tional, the business informacare and medical research

general increase in overseas tourism brought about by the Tourist Board's aggressive marketing oversea

The Thames & Chilterns region, covering the counties 85 per cent over the 1986 fig-

.

more than 1m overseas visiaccepted willingly that tourism tors, who stayed on average for 12 nights, and spent £314m is rapidly becoming a major domestic industry. between them. The share for Consultants employed by Milton Keynes Borough Coun-cil last year found that out of a

Which County...

- 1, ...was the fastest growing in England in the years 1981-86?*
- 2, ... is expected to grow faster than any other in the next 20 years?*
- 3, ... has the fastest employment growth in the south-east?**
- 4, ...has the most dynamic city in Britain within its borders - and another in the national top ten?***
- 5, ... and a third in the same survey's top-ten list of towns of settled prosperity?****
- 6, ... yet is only seventh in the regional house price league?***
- 7, ... is the most beautiful of the Home Counties, with 100,000 acres designated Area of Outstanding National Beauty?
- 8, ...has nearly 40,000 acres of forest and woodland, including a good chunk of the magnificent Chiltern hills?
- 9, ...has one foot in London and the other on the doorstep of the Midlands?
- 10, .. is traversed by the Motorways M1, M4, M25 and M40 and has Heathrow just up the road?

Score ten out of ten if you answered Buckinghamshire. Then come and see for yourself that it's more than trees that arow in Bucks.

The County Council's theme is "Excellence with Purpose" and we are achieving it in close co-operation with industry and commerce in the county and their representatives on the Bucks Business Group.

For further information, contact the Public Relations Officer, County Hall, Aylesbury, HP20 1UA (0296-383209).

SOURCES *Registrar General; **Dept. of Employment; ***(Milton Keynes and Aylesbury), Champion and Green "Local Prosperity and the North South Divide", Warwick University, 1988; **** (High Wycombe) Champion and Green; **Halifax Building Society.



ideas is that the city should promote more shortbreak holidays, business tourism, attractions for day trippers and overseas visitors

The county's response lags behind. Its interest in tourism was inspired by the Young report, *Pleasure, Leisure and* Jobs, which concluded in 1985 that local authorities should do more to promote tourism because of its wealth and job creation opportunities. Bucks is gradually coming to

terms with the idea. But a flayour of the prevailing attitude was offered in a report to the countryside committee last December. Close liaison was essential, said the report, to ensure that county initiatives took into account the need for effective tourism and management "in those areas vulnerable to increased numbers of visitors.

Sue Jordan, appointed as the first county tourism officer in October, accepts that so far there has been an ostrich approach to tourism with a communal burying of heads in the sand. But, she says, it is now recognised that tourism will not go away even if you do not promote it, and ignoring it will ultimately produce discontent particularly among resident

Her post is jointly funded by the Tourist Board, to which **Bucks County Council recently** affiliated, the county and the

nping and caravan sites. car There has already been con-

siderable interest in developing

Metro-land city further along the road. If it

from previous page county should have a Milton

Keynes - it is still resented in some quarters - hut be admit-ted the city's enormous contribution to the county's economy.

It was always the Govern-ment's intention to wind np the Development Corporation in 1992, a proposal the county council will be vigorously resisting. Mr Charles Garratt, chief

quote the poet's own vision in Mstro-land: "The houses of Metro-land never got as far as executive of the county council said: "The county council helieves this is too early. Another three to four years would see development of the Verney Junction. Grass tri-umphs. And 1 must say I'm

	Labour catchment 1988	Catchment % growth 1981-88	unemployment % Aug '88	Av.House prices 1987
Milton Keynes	209,856	29.50	6.10	62,900
High Wycombe	262,496	0.60	3.0	86,800
Aylesbury	120,170	11.30	3.00	69,100
Amersham	102,295	-1.60	3.00	86.900

The Swan, Milton Keynes village: typical of the county's features attractive to overseas visitors

five district councils. Between that kind of tourism as farmers them, the seven bodies are pro-viding £30,000 a year for three find their incomes diminishing as holdings become less viable. years to pay Ms Jordan's sal-ary and provide her with a car, and to fund approved tourist One tenant farmer wanted to start an inventing course on his land, but the capital outlay promotion initiatives. required proved too much. But The budget is low mainly because Bucks is looking to the private sector to do most of the with 2.500 miles of public foot-paths and bridleways in the development, although part-

nership hetween public and private sector interests is seen as having a key role. The county expects commercial sponsorship to be an important element of the budget, and sees tourist use.

its own role chiefly as encour-aging the best management and increasing awareness of the available government grants for boosting the domestic tourist industry.

One of the key areas under this last heading is grants from this last heading is grants from the Ministry of Agriculture to help farmers diversify. They can be helped, for example, to set np bed and breakfast or self-catering accommodation, and start kinds of farm-based tourism, including horse-rid-ing, farm walks and certified camping and cerevan sites.

clear. A definitive footpaths map showing them all is being npdated for both local and Bucks has many other

is a firm expectation that both the range and quality will be widened, with a resulting increase of johs, particularly

attractions with which to develop its tourism and there

clay pit. It will be smaller than Black and Langley Parks, which have 600 acres between them, bnt it will cost only £100,000 to develop and the running cost is cheap. The net cost to the county of all its countryside initiatives will be £327,000 this year.

the site of a former gravel and

Higb Wycombe. where it

The development, being car-

ried out by Tarmac Construc-

tion, will allow relocatio of the European beadquarers

from Denham, in Buckinghm-

shire, next Spring, transfel of the UK operations from Un-don at the end of 1989 and be

in 1990.

of historical, literary and industrial attractions. William Penn held the first meeting of the Quaker movement at Old Jordans, a 17th century farm-house now owned by the Soci-ety of Friends and run as a rest centre. Penn is buried there. Hugbenden Manor was the home of Benjamin Disraeli for 40 years until his death in 1881. The Transcendental Meditation Movement now owns Mentmore Towers, built in 1851

for Meyer Rotbschild by Sir

large potential for tourist growth. Last yearthere was a 19 per cent increase in bed spaces available inthe county, and more are needd. But the county has good transport links and hotel acommoda-The county boasts a number tion.

Buckingham.

Bucks has identified several areas where tourish can be pushed. But throughout, the emphasis will be on peserving the best while making it attractive to tourists, without becom-ing a nuisance to the local pop-ulation.

Pat Healy



BUSINESSMEN IN THE SOUTH OF ENGLAND-USE INDUSTRIAL & BUSINESS NEWS THE LEADING NEWSPAPER FOR COMMERCE AND INDUSTRY IN THE AREA WITH SPENDING

Published monthly, Industrial & Business News is sent by direct mail and reaches 60,000 decision makers throughout Berks, Bucks, Herts and Oxon. That's 60,000 potential customers for your Our team of correspondents offer a full news and information service on all that is happening in the region's business world. As well as a wealth of features from commercial property to engineering and computers to plastics. Just to see Industrial & Business News is to believe it, it is a colourful, pleasurable experience and we mean colourful. Our full colour reproduction is exemplary ! See it,

believe it, we'll mail it today. TELEPHONE: HIGH WYCOMBE 21212 A BUCKS FREE PRESS GROUP PUBLICATION

Snelley. T.S. Efflot and G.K. Chester-ton all lived in Backs. The county als has a number of speciality atractions, including the furiture museum of High Wycone; the Quainton Railway Cenre, which maps the progress of the railways, and a home myvie museum at

connty, the potential to develop this side of tourism is

for young people. A new country park is being developed in a "quiet spot" between the M4 and M25 on

does come to an end in 1992 we

would want to see some conti-nuity in the policies that have led to the development of the city on such careful lines."

In the south, like Betjeman,

the county council appears relieved that the Metropolitan

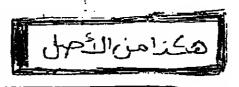
line, allowing commuting by the Tube into the beart of Lon-

don, stops at Amersham. To

Triumph in

.

Mass spect



BUCKINGHAMSHIRE 3

Grammar schools, comprehensives, the Open and Buckingham Universities give the county ...

An exceptionally-wide education mix

EDUCATION Buckinghamshire is a mass of contradictions. It is the home

of both the biggest and most accessible higher education institution in Britain, with the Open University based at Milton Keynes, and of Britain's only private university at uckingham It maintains a system of Bucki

grammar schools in most of the county, with Milton Keynes alone running a comprehensive system. And the results, according to Mrs Gill Miscampbell, chair of educa-tion, are an example of ercellence which should mean that noone needs to send their children to private schools.

one of the olde industries in the Watson and Vine, That may come as a hit of a surprise to Wycombe Abbey, are one of Arise t established con one of Bnckinghamshire's more famous public schools, but is indicative of the confi-dence the county exhibits in its minent within the London Bud Caivert. education system. the provision

IBER 2 1988

ev

Soo staff

agriculture ba ible presence in cy Vale district strial estation

Strial estates

have attracted

tiave actively and the sol

an, CBS Room

Seppes Neste

reated and Tube

to the area in 166

the Oricie records

1901 in 1970, bos

people and man.

A records a ner sette tapes

There is a similar confidence structure plan in field development subury and Prince in the higher education institutions, too. Although the Uni-versity of Buckingham has not , new industry is achieved its aim of over 3,000 spelled whereve students, it has established the north of the itself as a recognised institute Milton Keyns tion with a Royal Charter n Corporation has granted five years ago enabling it to award degrees. attracted intern timent in the cay . More than 700 students m and Mercede attend the university, paying tuition fees of £5,700 a year. save their UK had Though small by most univer-

ere - but the los home-grown ins scother part of the wick McLintock in I handling the share

of three Million mpanies which hre go public Erosta ty development cur Already done so mi Motors. car deales angroup, competed s heels.

Richard Conta

neton. creator of Co s. and one of the he mansions in the ybesbury.

and Manor was held ach-style chaten in Mirand de Rothed V to 1889, and Asta acar Wing, an par the Earth Stilles century and the inives toore.

Wilton fied the the n in 1665 co co co Ciles where is m madine Loss and der Command His com The the puplie. Stain Here and G.K. Chere Hand in Books Is ALS BAS & SUDE:

growing grain.

inghamshire's farming affairs.

That is perhaps surprising when farmers have switched

heavily into wheat production

" In 1977, 22,402 hectares in the

in the last decade.

im: over the last decade the county's sheep flock has nearly doubled "Stockings Farm", near Amersh فرقك و · · · · · · de l'arte aten AGRICULTURE - Co. Survival of the fittest

ONLY ONE of Bucks county's land is in the top two grades, 200 tenant farmers has applied compared with an average for for the first allocation of "set England of nearly 20 per cent. aside" payments to take land There is extensive clay in the aside" payments to take land out of cereal production and thereby help reduce the Euro-Aylesbury Vale area to the south of the county, and farm-ers have traditionally concenthere are already grumbles about delays in payments. Tak-ing lambs to market by the pean food surpluses. The ten-ant intends to allow a field to he fallow next year instead of trated on livestock and dairy farming. The changing climate for agriculture, including the demands of the Common Agripayments for farmers, who were able to calculate their likely incomes over the year. And they believe the present system helped family budgets, too, by producing lower meat There is little sign of interest There is little sign of interest either from private farmers, although the official view is that a "significant number" of applications have been made in the Oxford division through which both the Ministry of Agriculture and the National Farmer's Union oversee Buck-inchamebrie's farming affairs. cultural Policy, had already affected farming in Bncks before the set aside scheme was introduced. The milk quoprices in the shops.

gone down. But, he says, the Mr Goldsworthy points out that lowlands producers will get the same headage price as ger moves towards reducing

those in poorer areas, and that

summer used to mean early

etry analysis in the Open University's earth sciences read arch laborator

sity standards, and certainly set against the 150,000 students edged to have strong accoun-tancy and law schools and, unlike the Open University enrolled at the Open Univer-sity, Buckingham has one which frequently has to justify itself as a spender of public unique advantage for serious students in a hurry. resources, is confident of its

By operating a four-year term, it can award degrees in two years which makes it parfinancial future because of its independence from the state. ticularly attractive for the The OU, the biggest employer in Milton Keynes as students who make up two-thirds of the total. They can get a recognised degree in with 2,500 staff, offers a wider range of courses, but students Britain more cheaply and take quickly at Buckingham than years to gain a degree. Employthrough the more orthodox ers regard it highly: of the 20,000 students registered with three year courses offered elsethe Open Business School

since it opened in 1983, 80 Bnckingham is acknowlcent have been sponsored by their employers. Next year, the quickly that it moved this summer to temporary premise in Stony Stratford where are

Press Bucks county believes it provides the kind of education that enables the maximum on average five or six number of children to enter further and higher education, including its two unique higher education institutions. The county fought a fierce

and prolonged battle in the 1960s to retain its grammar schools and now operates a selective system throughout school will offer an MBA the county except in Milton Keynes. Mrs Miscampbell denies that the result is that degree and has expended so the comprehensives are not there are also offices of the OU true examples of their kind. That would be true, she says, if

the grammar schools were operating within the same catchment area, but they don't. "What is hopeless is if you introduce a grammar school in Milton Keynes and then call everything else comprehensive

Peter Mooney, chief educa tion officer for schools, says there is no groundswell of opinion for change in the county. A proposal to intro-duce selective education in Milton Keynes was considered last year, but abandoned in the face of unanimous opposition from both the headteachers and chairs of secondary school

governing bodies in the city. Mrs Miscampbell believes there is widespread satisfac tion with the existing system. The county calls its secondary modern schools "nppe schools" and gives them the same resources and the same teaching ratios as grammar chools, but the lion's share of capital resources since they take 70 per cent of the age group,

Some of the upper schools have full sixth forms; others are encouraged to develop oneyear sixth forms as part of the Technical and Vocational Educational Initiative (TVEI) programme which links up with local further education col-

. There is also a big trans fer at 16+ from the npper schools to the grammars. The results include both a

higher proportion of pupils leaving education with 3 or more A Levels and a lower proportion leaving with no examination grade higher than CSE Grade 2

Within those totals, Buckinghamshire's grammar school pupils perform significantly better in academic terms than ths avsrage for all English grammar schools, while the connty's comprehensive schoolchildren fare marginally worse than the average. "Upper school" students achieve slightly better exam results than secondary modern school pupils in England. A closer look at Bucks fig-

ures on all fifth-form school leavers throws up a slightly different picture, though, Last November, 27 per cent of the age group in Milton Keynes left to take up jobs and 29 per cent stayed on at school. Only 10 per cent entered forther education, the lowest proportion in any of Bucks' four districts.

In the Chilterns and South Bucks district, 24 per cent left for jobs, 37 per cent stayed on and 24 per cent went into further education. In Aylesbury Vale, 28 per cent took jobs; 35 per cent stayed on and 14 per cont went into further educa tion. In High Wycombe, 35 per cent took jobs, 28 per cent stayed on and 19 per cent went into further education.

Milton Keynes is the only part of the county where new

The county believes it provides the kind of education that enables the maximum number of children to enter further and higher education

schools are having to be. opened to make room for a growing child population. For the rest of the county, a Fall-ing School Rolls Panel operates to close down schools, often in the face of flerce resistance from parents.

The review of schools has enabled age ranges to be changed in some areas to conform with the norm for the county of first schools for pupils aged 5 to 8 and junior schools for the 8 - 12 year olds. But those age ranges pose a particular difficulty for the

following courses similar to the core curriculum, but capital will need to be spent on providing new science and language laboratories to meet the new requirements.

The Act is estimated to cost an extra £6.5m a year on a budget of over £162m. Most of that will be spent on a substantial training programme to enable teachers to carry out the new monitoring and assessment tasks.

Again, the county believes it will manage; it has run a major inservice training programme



Me NORTHANTS Cine M1 BEDFORD HERTS Princes Hisborough OXFORD M40 BERKS SURREY

county in responding to its over the last four years in the new duties under the Education Reform Act. Pupils in the top year at

Bucks primary school should be taking the new National Curriculum laid down by the Act, but there are shortages of primary school teachers for some subjects, particularly science and French. Most of the secondary schools are already

build up to the new GCSE exam. and found that teachers responded "tremendously" to the opportunities offered. The biggest problem will be

attracting new teachers to an affluent county where the cost of housing is high. Mrs Mis-campbell puts her faith in the narrowing of the differential with other parts of the country and points out that in Leicestire and Northampton are

starting to rise.

cation centres.

Pat Heaty

· · · · ·

39

Bucks has 296 first, middle and combined schools catering for 58,625 pupils up to the age of 12; 8 comprehensives, 26 upper and 14 grammar schools pro vide education for 34,411 pupils aged 12 to 19. There are also 20 special schools and centres for 1,500 pupils with special educa tion needs; 250 pupils with spe-cial needs ottend other local outhority ond independent schools and 700 with special educational needs attend mainstream schools. Four colleges of further and higher education have 5,200 full time and 12,900 part-time students and 45,000 attended classes at 30 adult edu-

Northern and Gamma ty Celte, anth 17 tome time museus W. LTT.

MEN SCHARTERS, INC.

r furiture maser:

to the same do MINESTALL ATTACT M THAT WE WERT TH E that they should be matentia: for titt ביושי איזייי ינובי או r cent incress in is s availab - make me DOTE 27 SHEAL BED 19 than good mans and bote: accurate

Ma tas identid str Where course and Market formation

BERERAL SALES TAK

SS NGUS

0 000.50

and Oxe

NEWS End

x your

DENKIG

ATTRET CH?

#5 is to

to plastos

xperience

NI Sco it.

212

45

Patter

In 1977, 22,402 hectares in the county were under wheat; last year it had grown to 34,682. But the yield for cereal produc-ers is widely acknowledged to have been disappointing, par-ticularly in the last two years. Nevertheless, Mr Bill Gold-sworthy, local NFU county sec-retary, was convinced set aside would not attract many Bucka farmers even before the Gov-ernment announcement in ernment announcement in October that only 2,000 farmers in the UK had taken up the offer.

The lack of interest reflects both the general view among farmers that the compensation for not growing grain is insuffi-cient, and the mixed character of serioulture in the county of agriculture in the county. There are only a few larger units devoted mainly to cereals, and a higher than average proportion of the land is low grade.

Less than 9 per cent of Buck-inghamshire's agricultural

Agricultural land values have failen substantially in recent years because of the general problems facing the industry. But there are now signs of a resurgence of interest, Induced possibly by the need to offset taxation.

tas have led to reductions in the dairy herd and an increase in livestock, particularly sheep, which is producing its own proble

sche

As in other Home Counties, the numbers of farmers and farm workers are failing, with sons and daughters no longer content to carry on the family tradition as margins diminish But the major worry for most Bucks farmers now is the impending change in the structure of beef and sheep support

Over the last decade, the number of sheep and lambs in Bucks has nearly doubled. But the new stabiliser system is seen by Bucks farmers as a threat to their ability to plan ahead on the basis of a reason-abin secured income Many ally zero". ahiy assured income. Many believe it will bring another drop in their incomes, and there is resentment thet the

County

Mr Goldsworthy sees little sympathy with the farmers' worries among either local MPs or the Government, whose attitude is seen to be to encour-But he believes the tenacity of the Bucks farmer will pull him through. "They wouldn't have survived as well as they have if they weren't fighters," he says.

That is a view shared by Mr Stuart Farrant, county valuer and estates officer for Bucking-hamshire, who says that farm-ers "are not suffering unduly and are surviving much better than they might have antici-pated." He also believes that Britain's set aside scheme is not very attractive and rates the potential for getting a decent return from it as "virtu-But then, he does not accept

that over production is now a problem because European Community surpluses have new system will not reward

10770 220

ger moves towards reducing the nitrogen and pesticides in use on Britain's farms.

Bucks farmers are feeling Bucks farmers are feeling the pinch with grain prices unchanged for several years and holdings becoming less viable. There is a move towards larger units, and the county has noticed a "very slight" increase in the number of its own treasants outfitted of its own tenants quitting because of financial difficulties. There have also been fewer requests from tenants for new capital improvements, but Mr Farrant is "confident that they will come out the other end."

Agricultural land values have fallen substantially in recent years because of the general problems facing the industry. Bnt there are now signs of a resurgence of inter-est, induced possibly by the need to offset taxation. This year Bucks expects to raise \$40m from land sales, of which only about 1 per cent will be from agricultural land, including barn conversions.

The county's own estate of 13,500 acres has an agricultural value of little more than £10m - way below the development land value because the estate is subject to tenancy. Residen-tial land sells at well over £1m an acre and development sites sold recently to make way for superstores in Aylesbury and Amersham have raised more than £3m an acre. Bucks now sees its ownership of farm land as primarily meeting an environmental function, enabling it to control development better in the face of growing demands for urban development because of the rapidly rising popula-

tion_ OOK TO AYLESBURY. Bucks own holdings have

.....

ding district for a wide range of commercial and industrial development opportunities. Find out what the area can offer you by telephoning Michael White, Plans Officer, or Dale Reynolds, Estates Surveyor and Valuer on Aylesbury (0296) 395900.

thriving

Awlesbury Vale District Council

been boosted by the inheritance from the former Greater London Council of the 1,000 acre Denham estate in a key part of the Green Belt. The Denham holdings are mainly horticultural and need a "bit of sorting out" because they had been poorly managed. But Bucks has already raised rents by between 35 and 40 per cent to bring them more into line with the other county tenants whose rents are reviewed every three years. The county's income from farm rents has previously remained static at around £625,000 a year.

Pat Heah

- · · ··· ··· · ·

put the Power into the World



...With Internationally accepted Electrical and Electronic Equipment Systems and Devices for Automation and Power Distribution.

After sales service through over 350 Technical Sales Offices in 75 Countries.

For further information, contact



P. O. Box 35, Gatehouse Close, Aylesbury, Buckinghamshire, HP19 3DH Telephone: Aylesbury (0295) 85121 Telex: 83224 Telefax: (0296) 21854

PENNING HALL PRIDAL DECEMBER - 1100

regime, as well as the probabil-

CAP was contained in so many

to the UK", the report stated.

Implementation of the CAP in Britain. HMSO Paper 31. £4.90.

It is the cereals regime

ineffective. The stabiliser set a produc-tion threshold of 160m tonnes

of grain which, once exceeded,

triggers price reductions. For

this season, with a narvest of

162.5m tonnes recently estab-lished by the Commission,

there will be a cut of only some

3 per cent. In the four years which the cereal stabiliser is to

last, price cuts cannot total

Even taking account of cereal price reductions since 1984 (which because of cur-

rency adjustments are consid-

erably less in most member states than the Commission's

stated 25 per cent) many Com-

mission officials privately fear that compulsory quotas will be

needed before long to control

grain production. Of the other stabilisers, the most critical is that for beef,

the fourth most expensive

more than 15 per cent.

COMMODITIES AND AGRICULTURE

Coffee quota rise triggered

THE INTERNATIONAL Coffee Organisation yesterday increased its total world export quota by im bags to 57m bags (60 kg each), writes David Blackweil.

The increase, which has been expected for some time, was triggered by a rise in the ICO 15-day indicator price to more than 114.40 cents a lb. The indicator, an average of world arahica and robusta prices, was announced yester-day as 114.41 cents a lb, up from 114.32.

The 1m bag increase will be in top quality arabica coffee, much in demand in the West,

because the difference between the ICO indicators for robusta and arabica coffees (93.25 and 135.57 a lb respectively) was more than 30 per cent of the arabica indicator.

A further increase of 1m bags could be triggered in the current October/December quarter (the first in the coffee year) if the 15-day average remains above 114.40 in the next 15 working days. The first such increase could come on December 21, but the rules set under the complex guota agreement struck in Septem-ber change in the New Year. Ironically, the rise in the

15-day average was driven by the robusta market, which is suffering from tight supplies from Africa. Yesterday the January robusta contract on the London Futures and

Options Exchange (Fox) closed at £1,110 a tonne, a rise of £14. In the New Year, the rules aim to bring prices into the 120 to 140 cents a lb range which the ICO is trying to defend for the remainder of the coffee year. It appears certain that quota cuts will be quickly triggered, but these will affect only robusta coffee

plies as world grain prices

while

oared to record levels

if the arabica indicator remains above 130 cents a lb.

Scrap seen as growing source of

platinum

By Kenneth Gooding, Mining Correspondent

SCRAPPED EMISSION control catalysts will become the fourth-largest source of platinum in five years time, rank-ing behind only the major pro-ducers - Rustenburg, Impala and Western Platinum - sug-gests Sbearson Lehman Hutton's annual review of the industry. A disciplined structure for

A disciplined structure for the return of scrap from this source has now developed after initial teething troubles and Shearson predicts supplies will grow at an annual average of 14 per cent from 150,000 ounces this year.

"This is a price-elastic source of supply but at \$500 an ounce and above the operation is lucrative, so no slowdown should develop in this sector,'

Shearson says. The scrap from catalysts will affinent countries might be forced to consider cutting their contribute to a surplus of sup-ply over demand forecast hy Shearson to be about 627,000 troy ounces in 1993. Whether this can be absorbed by invesuse of feed grain so that poor nations did not starve." tors depends heavily on the recently-launched platinum coins: the Koala from Western Australia's Goldcorp and the Royal Canadian Mint's Maple

Leaf, it adds Shearson suggests that, if the market is to be kept in balance between 1989 and 1993 inclusive, investors will have to absorb 2.31m ounces of platinum, or 12 per cent of total supply, at an average of 462,000 ounces annually. Over the past four years they have taken about 2.05m ounces.

Shearson says that in 1989 and 1990 investment activity should easily absorb the avail able platinum. However, if the investment momentum is lost thereafter, the likely result will be either a natural erosion of prices or that some planned Sonth African expansion will be delayed or abandoned.

Shearson predicts the platinum market will expand strongly in both supply and demand. In the short term, tightening supplies should see platinum prices in 1989 range between \$500 and \$675 an ounce and average about \$564 an ounce compared with an average of about \$530 an ounce this year, Shearson suggests. The platinum price rose strongly again in London early yesterday to reach \$610.50 an ounce, having moved up from \$589 on Monday. However, some profit-taking in New

Jury still out on EC farm reform

Bridget Bloom concludes our series on budget "stabilisers"

VER THE last few O months, an already familiar refrain within the European Community establishment has become more insistent. Four years into the reform of the common agricultural pol-icy, the European Commission insists its CAP reforms are

proving a success and must be taken into account as the world tries to negotiate more rational farm policies within the General Agreement on Tar-iffs and Trade, whose mid-term review of the Urnguay Round opens in Montreal on Monday. spade farmers to produce les The refrain was repeated in London this week by Mr Frans

But farmers cannot be forced to do this, and if they choose to go on producing at lower prices, the Community is com-mitted to buying their produce. Andriessen, the Farm Commis With the exception of milk, where the penalties for over-

> PUBLIC understanding of the common agricultural policy in Britain could be greatly improved if the Ministry of Agriculture produced an annual account of the costs and benefits of the policy, the National Audit Office said in a special report published yesterdey.

The independent accounting body which studies govern-ment accounts said that information on the operation of tha

themselves? They are like the proverbial curate's egg - good which causes EC officials in parts.

Of the major commodities, stabilisers have been agreed for the dairy sector, for oil-seeds, cereals and wine, Beef and sheepmeat are pending. The most costly regimes dairy, oilseeds and cereals -illustrate the nature of the successes, and the pitfalls ahead. The dairy regime, involving quotas on production since 1984, has been most successful in curbing production, now at some 93m tonnes, compared with the 121m tonnes a year which experts have calculated would have been produced without quotas. The budget is still high, but at a forecast of Ecu 4.9bn (£3.2bn) for next year, is declining from last year's record of Ecu 6bn.

Dairy farmers who have remained in business (the majority)) now have a more stable framework in which to operate and a brand new asset in the form of tradeable quo-

Stocks have been reduced regime at some Ecu 2.5bn à dramatically with the butter mountain, for example, coming year. Despite a cut of I3 per cent in minimum support down from from 1.3m tonnes prices two years ago, producers

commodifies is some Ecu 8bn agreed, although Mr Andriessen this week said he hoped for agreement at this month's Farm Council. uity

STICL

war.

commonnes is some scu son on top of the farm budget.) The principal drawback of the milk regime is the marked distortion of the internal mar-ket in milk products which has Farm Council. One key lesson to be drawn from experience on stabilisers so far is the importance of external factors. The EC's farm been exacerbated by quotas. The new oilseeds stabiliser is probably the toughest of those agreed last February. Frice budget for noxt year has recently been revised downcuts of nearly 20 per cent for sunflower seed, 8 per cent for rapeseed and 11 per cent for wards to Ecu 26.8bn, compared with Ecu 27.5bn last year. The principal reason, bowever, is savings achieved mainly on the back of the US drought: the subsidies which the EC pays soya have been triggered as production bas gone above specified thresholds this year. A potentially catastrophic rise in oilseeds' costs, from Ecu L4bn in 1984 to well over Ecu grain traders to make Commu nity exports competitive on world markets, which used to account for more than half of the farm budget, have halved over the last few months, from some \$120 a tonne to \$80 to \$70 4bn last year, appears to have been halted, with just under Ecu 4hn being spent this year. However, future problems include a likely rise in costs a tonne. when Spain's olive oil produc-tion is fully integrated into the

a tonne. For the future, the danger to the budget of falling world prices – or a rising dollar – must remain considerable. If world grain and oilseeds pro-duction rose next year, prices would fail and EC costs rise ity that farmers may switch from oilseeds into cereals. again. different departmental reports

But if the extent of the EC's that public understanding of it was impaired. "Public under-standing would be improved; achievement in farm reform should not be exaggerated, nei-ther should it be under-estiaccountability to Parliament enhanced; and the accounting made more transparent" if the mated. There can be no doubt that political attitudes among farm ministers and EC officials are changing, "Even four years ago, the

Ministry were to "produce a comprehensive account of the costs and benefits of the CAP possibility that the price of any commodity could have been cut by 10 or 20 per cent at a stroke would have been incon-ceivable," one senior official said last week in Brussels. "We will never please free traders. but neither will we ever go back to the days of 'produce and be damned for the consebecause they fear that the new production controls will prove ineffective. quences'."

That may be so, but the real dilemma for the Community is that, painful though the present reforms are already proving for many of the EC's llm farmers, and thus for farm ministers, more will undoubt-edly be needed if the impasse between the EC and the US is to be broken within the Gatt negotiations,

EC Ministers have no stomach for further farm reforms just now, which is why Com-mission officials are so insistent that what has happened so far must be taken into account in future and that any further reductions in farm support must be negotiated multilater-

It is also partly why much is currently being made of the decision to double the EC's so-called structural funds, for a lot of the new money will go to developing rural areas as a whole and can thus be presented as compensation for the loss of direct farm price sup-

port.

4.0

- :7

By Bridget Bloom, Agriculture Correspondent scramble for the available sup-WARNINGS THAT the world sion of toxic gases - the so-called greenhouse effect -although neither believes that could face prolonged periods of instability in agricultural comeither this year's US drought or the freak weather in other modity markets and problems of food security which could parts of the world can be directly attributed to this. dwarf security problems in the military field have been issued this week from research organ-isations based in London and

'Greenhouse' threat to

world's food security

However, according to Worldwatch, world tempera-tureo could be raised by between 1.5 and 4.5 deg C (2.7 Washington. The Economist Intelligence to 8.1 F) within 40 years, with the effects being felt least on the equator, and most in the middle latitudes which are Unit in London and The World-watch Institute, the Washington environmental research today's grain belts.

ton environmental research body, note in separate reports that the effects of global warming – cauced by a build-up of carbon dioxide and other gases in the world's atmosphere – could lead to major shifts in patterns of agricultural production, erratic harvests and food shortages. Both organisations warn of the possibility of a second US

drought next year which could - Worldwatch says - dwarf the economic effects of the oil price hike of the 1970s."

If the international community is not able to forge a co-operative strategy to reduce... the warming, food security could replace military security as the dominant issue of the nineties and beyond," Worldwatch says.

Both reports take as their starting point the harm done to the atmosphere's ozone there was no recent precedent. layer by the continued emis- There would be a frantic

thirds of the US grains crop and one eighth of world crops, is particularly susceptible to drought. Worldwatcb notes that the three warmest years of the last century have all occured in the 1980s with each drop in US maize production -17 per cent in 1980, 23 per cent in 1983 and 34 per cent in 1989 - worse than the last.

This seems bound to reduce the North American grain harvest, particularly because maize, which accounts for two

The 1989 grain crop could be a bin-buster, Worldwatch says.

But it could also be smaller than 1988. In the event of another disastrous drought, US grain exports would slow to a trickle. The world would face a food emergency for which

In its report, the EIU takes a rather less gloomy view, partic-ularly noting that world food supplies could he more efficiently used: there could for example be better conversion of grains into meat in many countries. The unit's report warns, however, of the dangers of de-forestation in the world's eco-

system. Not only does the clearing and burning of forests release "greenhouse" gases but the absence of trees removes a vital means of storing carbon

dioxide via photosynthesis. The EIU believes that the "alternation of years of very high yields boosted by scien-tific advance and very low yields pulled down by green-

house weather promises a period of prolonged instability in agricultural commodity markets the like of which we

have never seen." EIU World Commodity Outlook 1989. £95 from EIU offices in London, New York and Tokyo. WorldWatch Magazine November-December issue. \$5 1776 Massachusetts Ave, Washington DC.

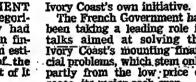
·

- '-- -

Paris denies Ivory Coast cocoa deal

By George Graham in Paris

FRENCH GOVERNMENT officials yesterday categori-cally denied that they had reached an agreement on fin-ancing the purchase of an estimated 400,000 tonnes of the Ivory Coast's cocoa, most of It to be stocknilled.



The French Government has Ivory Coast's mounting finan-

bution of 140bn CFA francs to government finances, is thought to be in deficit on all been taking a leading role in thought to be in deficit on all talks aimed at solving the products except possibly rice. France has been unwilling to cial problems, which stem only partly from the low price of coccoa, its major cash crop. sioner. The EC could not accept the US goal of ending all farm subsidies by the year 2000, because that would create insurmountable economic, financial, political and social problems for the Community. Common Agricultural Policy reforms, bowover, had estab-

lished the EC's credibility. It would be prepared to extend the scope of negotiations within the Gatt, but only if its achievements were taken into account and if others proved in the same direction, Mr Andriessen said. How valid is this. Commis-

sion jndgment of success so far? Only one conclusion can be

confidently drawn at this stage: thanks largely to factors outside the Community's control (notably the US drought) the farm budget this year and next will be within the bounds set for lt. On wbether the major aim of the reforms - the

continuing control of produc-tion and thus costs - will be achieved, the jury is still out. This should not be surpris-ing, for most of the reforms were agreed only at last February's EC Summit. It should also be noted that while officials talk of four years' reform, that is true only of the dairy sector and even there, the agreed measures did not begin to bite hard until 1987.

There are two more caveats. Community officials, worried about being put on the defen-sive within the Gatt, cast the reforms in the context of a more rational ordering of world trade. In fact, the prime motive was and remains the need to prevent the EC's farm. spending, which last year took nearly two thirds of tha total EC budget, from going through the roof.

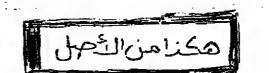
Mr Andriessen's comments show that the EC has no inten-tion of accepting free trade in agriculture, even if it is begin-York later in the day caused the London price to ease back ning to see that its richer farm-ers could operate under more and it closed at \$608.75 an market-oriented policies.

production are extremely tough, such an open-ended commitment could still prove extremely costly. But what of the measures

just over a year ago to around are still selling large quantities <u>Earlier articles in this series</u>	
200,000 tonnes today, mainly of beef into publicly-financed covered: Cereals, November 9;	
through special sales to the intervention stores. Oilseeds, November 11; Dairy,	:
Soviet Union and animal feed The Commission's proposals November 16. Beef, November	:
manufacturers. (Note, how- to cut beef prices even further 18: Sheepmeat, November 23:	
ever, that the cost of disposing and limit the role of interven- Wine November 30: and Sugar.	
of the pre-1988 surpluses of all tion have so far not been December 1.	
	200,000 tonnes today, mainly through special sales to the Soviet Union and animal feed manufacturers. (Note, how- ever, that the cost of disposing and limit the role of interven- to cut beef prices even further and limit the role of interven- to cut beef prices even further and limit the role of interven- to cut beef prices even further and limit the role of interven- to cut beef prices even further to cut beef

WORLD COMMODITIES PRICES

LONDON MARKETS	COCOA 2/tonne		(Prices supplied by Amaigameted Metal Trading)	US MARKETS	CRUDE OIL (Light) 42,000 US galla S/barrel	Chicago	
OPPER and zinc prices surged on the	Close Previous High/Low	Close Previous High/Low		IN THE METALS, gold slipped as	Latest Previous High/Low	SOYABEANS 5,000 bu min; conts/60ib bushel	· · · · ·
ME yesterday, with three-month metal	Dec 536 846 846 834	Aluminium, 98.7% purity (5 per tonne)	Fling turnover 5,825 tonne	producer selling from Middle Eastern	Jan 15.73 15.32 15.75 15.48 Feb 15.43 15.14 15.48 15.27		
osing et record levels. Analysts said	Mar 862 868 670 866	Cesh 2415-25 2870-80 2410	2415-6	countries kept prices from advancing.	Feb 15.43 15.14 15.48 15.27	Close Previous High/Low	
e copper market had been overdue	May 863 866 570 857 Jul 865 870 872 858	3 months 2340-5 2315-20 2355/2330		reports Drexel Burnham Lambert.	Mer 15.32 15.07 15.38 15.20 Apr 15.24 15.06 16.33 16.17	Jan 758/0 763/6 764/0 751/4	
r e correction efter the falls of the	Jut 865 870 872 858 Sep 863 869 857 857	Aluminium,19.5% purity (£ per tonne)	Ring turnovar 3,400 tonne	Silver also was lower due mostly to a	Apr 75.24 15.06 16.33 16.17 May 15.22 15.05 15.54 15.18	Mar 770/0 775/4 775/0 763/0	
revious two devs. Fresh fund buying	Dec 884 894 892 882			weakoning platinum market. Anxiety	Jun 15.24 15.05 15.30 15.20	May 775/0 779/4 779/4 787/4	-
established the bull trend towards	Mar 891 905 897 887	Cash 1255-60 1240-50	1262-3	about supply tightness and dwindling	Jul 15.23 15.05 15.32 15.20	Jul 774/0 779/2 779/0 786/4 Aug 760/0 785/4 766/0 757/0	
	Turnover: 5277 (10284) lots of 10 tonnes	- Dec. 21 1250-5 1240-50	1257-60 12.132 lots		Aug 15.22 15.05 15.25 15.20	Aug 760/0 765/4 766/0 757/0 Sep 706/4 712/0 712/2 706/0	1.4
he chart target of \$3,100 e tonne. The	ICCO indicator prices (SDRs per tonne). Daily	Copper, Grade A (£ per tonne)	Ring turnover \$1,600 tonne	copper stocks prompted trade buying	Oot 15.27 15.05 15.27 15.25	Nov 672/4 681/0 661/4 670/0	
narket was further boosted by Comex	price for Nov 30: 1114.81 (1133.19):10 day aver-		1865-8	in the copper. In the softs, eugar	HEATING OIL 42,000 US galls, centa/US galls	Jan 650/0 690/0 0 . 0	· · · ·
nd continuing sound fundamentals,	ece for Dec 1: 1116.00 (1113.13) .	0 months 1678-80 1015-6 1690/1655		futures rallied near the close as trade			
icluding failing warehouse stocks both				and commaission houses were	Letest Previous High/Low	- SOYABEAN OR 60.000 lbs: cents/lb	
des of the Atlantic, the eix-week		Silver (US cents/tine ounce)	Ring turnover 0 ezz		Jan 4910 4824 4825 4855		÷
eruvien miners' strike end	COLLER Change	- Cash 605-8 608-11	813-4	up 37 points. Cocoa and coffee markets	Feb 4820 4748 4845 4780	Close Previous High/Low	
ackground productions problems in	COFFEE 2/tonne	_ 3 months 618-21 621-4	626-8 430 lotz	saw local activity for most of the day.	Mar 4620 4541 4645 4590 Apr 4400 4336 4440 4380	Dec 22.12 21.72 22.23 21.61	1 4 ·
hile and Zambia, traders said. The	Close Previous High/Low	Lead (E per tonne)	Ring turnover 7.150 tonne	With reports of some disagreements	Apr 4400, 4336 4440 4380 May 4270 4221 4325 4270	Jan 22.37 22.00 22.42 21.84	·
dvance continued in kerb trading, and	Jan 1110 1006 1110 1083			over the US/USSR bonus plan, softer	Jun 4210 4161 4275 4200	Mar 22.95 22.60 23.00 22.37	
ome enalysts are now forecasting e	Mar 1088 1065 1090 1080	Ceph 389-90 582-4 390/389 0 monthe 381-2 378-9 366/377		wheat prices prevailed. Corn followed	Jul 4230 4166 4260 4200	Many 23.45 23.17 23.46 22.90 Jul 23.85 23.75 23.90 23.40	
iee to \$3,500 e tonne in the first	May 1072 1080 1083 1083			the wheat in featureless trading. Lack		_ Jul 23.85 23.75 23.90 23.40 Aug 23.87 23.75 24.05 23.60	
juarter next year. Low LME stocks and	Jły 1070 1075 1077 1080	Nickel (\$ per tonne)	Ring turnover 744 tonne	of trade news and renewed	COCOA 10 Ionnes;S/Ionnes	- Sep 23.95 23.80 24.00 23.70	
a Peruvisn strike were elso behind	Sep 1072 1074 1079 1070	Cash 14400-600 13900-4000 14300/140		professional selling kept soybeans	Close Previous High/Low	Oct 23.90 23.60 24.18 23.70	
he rise in zinc prices. Aluminium	Nov 1075 1870 1870	_ 0 months 12950-13000 12700-50 13100/128		prices lower es well. Bean oil futures	Dec 1418 1430 1425 1410		
rices were elso higher, supported by	Tumover:3619 (4563) lots of 6 tonnes	The Sneeld High Grade (Conse)			Mar 1418 1430 1425 1410 Mar 1461 1476 1473 1451	SOYABEAN MEAL 160 tons; S/ton	
nces were also higher, supported by opper's firmness.	ICO indicator prices (US cents per pound) for		Fling turnover 750 tonne	were higher on short covering end buy	May 1465 1479 1480 1455	Cicee Previous High/Low	
pper's timness.	Nov 30: Comp. daily 115.23 (113.37); . 16 day	Y Cash 1650-60 1630-40 1631/1630		stops being triggered. In the meats,	Jul 1469 1465 1485 1465		
	average 114,41 (114.32).	3 months 1585-96 1655-65	1580-5 1600-10 1,517 lots	carry over from the cash markets	Sep 1476 1493 1476 1467	Dec 248.7 248.2 248.6 241.8	
POT MARKETS		Zinc (\$ per tonne)	Ring turnover 16,750 tonne	reflecting increased packer demand	Dec 1485 1505 1495 1476	Jan 245.0 249.0 249.0 242.7	۸
rude all (per barrel FOB) + or -				buoyed the pork belly and live hog	Mar 1503 1631 1505 1500	Mar 243.7 248.7 248.5 242.0 / May 241.2 243.7 244.0 230.0	10
ubel \$12.00-15g +0.37	SUGAR (S per tonne)	- Cash 1650-60 1625-30	1640-5	markets. Low grein prices supported	May 1510 0 0 0	- Jul 235.0 241.0 238.0 234.0	1P (
rent Blend \$14,60-90x +0.57		0 montha 1580-5 1538-9 1565/1550	50 1559-60 1580-8 11,399 lots	cattle futures as prices rose 25 in the	COFFEE "C" 37,500lbs; cents/lbs	Aug 229.0 233.0 232.0 234.0	•
.T.I. j1 pm est) \$15.65-68g +0.65	Raw Close Previous High/Low			February contract. Cotton prices were	Close Previous High/Low	Sep 220.0 224.5 220.0 217.0	-
	Mar 260.00 250.20 260.00 250.60	POTATOES E/longe	LONDON BUILLION MARKET	steady throughout the day sa		Oct 204.0 211.0 207.0 204.0	Sec
II products WE prompt delivery per tonne CIF) + or -	May 251,40 242,40 251.00 242.60			commission houses and local traders	Dec 124.94 124.92 125.44 128.85 Mar 123.94 123.77 124.70 122.60		-100
	Aug 243.00 235.80 242.00 235.20	Close Previous High/Low	Gold (fine cz) \$ price £ equivalent	supported the market.		MARZE 5,000 bu min; cente/561b bushet	hce
remium Gasoline \$181-184 -1	Oct 239.00 233.00 238.00 232.40	Feb 70.0 70.0	Close 423-423 2 225 4-228 4	supported are marked	May 122.95 122.80 123.90 121.60 Jul 122.40 122.35 122.75 121.35	Glass Previous High/Low	· . ·
328 Oli 6140-141 + 2	White Close Previous High/Low	Apr 95.8 96.4 96.5 95.1	Opening 42412-425 229-22912	New York			
feavy Fuel Oil \$70-72 +2 Jachtha \$139-141 +2		- May 112.5 112.5 112.5 111.5	Morning fix 425.5 229.442	New TUTK	Sep 121.58 121.25 121.45 120.50 Dec 120.88 120.50 0 0	Dec 257/2 261/2 262/0 257/0 Mer 267/4 270/4 271/4 267/2	
Naphina \$139-141 +2 Petroleum Argus Estimetes	Mar 291.60 285.00 291.00 284.75		Afternoon fix 424.75 228.975		Mar 110.70 119.75 0 0	May 271/4 270/4 271/4 267/2 May 271/0 274/4 275/4 271/4	
	Mary 256.60 250.00 258.00 278.50 Aug 267.00 250.00	Turnover 528 (64) lots of 40 tonnes.	Day's high 426-42612	GOLD 100 troy oz.; \$/troy oz.	Maxy 119.50 0 0 0	Jul 274/6 276/0 276/6 274/2	
itier + or -	Aug 287.00 280.00 Oct 280.00 276.00 276.00 273.50		Day's low 422 4-423 4	Close Previous High/Low	SUGAR WORLD "11" 112,000 /bs; cents/ibs	Sep 260/6 260/2 251/4 259/6	
Gold (per troy oz) \$423.25		SOYADEAN MEAL Stonne		Dec 423.9 424.8 425.5 423.0		Dec 258/0 255/2 256/4 254/4	
lliver (per troy oz) 🗭 010c -8	Turnover: Rew 2249 (8215) lots of 50 tonnes.		Coine \$ price £ equivalent		Close Previous High/Low	Mar 261/2 260/4 251/4 260/0	
fatinum (per troy oz) \$808.75 +7.75	White 958 (1210). Decise White (75) and thereis kind 1700. Mark	Close Previous High/Low		Feb 428.0 429.6 430.8 427.8	Jan 10.60 10.11 10.60 10.60	the set of the burning the second states and	I
alladium (per troy oz) \$128.5 +0.6	Parle- White (FFr per tonne): Mer 1700, May 1670, Aug 1668, Oct 1625, Dec 1615, Mar 1610	Dec 156.00 158.75	Mapleiest 435-440 234 ¹ 2-237 ¹ 2	Apr 433.9 434.9 425.5 433.5	Mar 11,44 \$1.07 11,45 11.07	WHEAT 5,000 bu min; cents/50ib-bushel	1 to a
Juminium (free market) \$2415 +60	7670, Aug 1000, Oct 1020, Doc 7010, mar 1010	Feb 163.00 163.50 165.50 163.50	Britannia 435-440 234 ¹ 2-237 ¹ 2 US Engle 435-440 234 ¹ 2-237 ¹ 2	Jun 439.4 440.4 441.7 439.0	Mar 11,44 11,07 11,45 11,07 May 11,05 10,73 11,00 10,70 Jul 10,75 10,48 10,75 10,50	Close Previous High/Low	
Copper (US Producer) 1595-1630 -212		Apr 163.00 163.00 164.50 162.50	US Engle 435-440 234 ¹ 2-237 ¹ 2 Angel 435-440 234 ¹ 2-237 ¹ 2	Aug 445.1 448.2 0 U		Dec 416/0 424/6 423/0 415/2	
eed (US Producer) 403c		Jun 153.00 154.00 153.00	Krugamand 422-425 22712-22912	Oct 450.9 452.0 0 0	Oct 10.58 10.27 10.60 10.33	Mar 418/2 427/4 426/4 417/0	
ickel ilree market) 640c + 15	LONDON METAL EXCHANGE TRADED OFTIONS	Turnover 1137 (57) lots of 20 tonnes.	New Sov. 9912-16012 5312-5414	Dec 458.7 457.5 458.5 455.5 Feb 426.6 429.6 430.8 427.8	Jan 9.32 9.01 0 0	May 402/2 412/4 412/0 402/0	
in (European free market) £4027.5 -10	Aluminium (99.7%) Calis Puts	Iditional Line fait ram an an an an	Otd Sov. 9912-16012 5312-5414		Mar 10.29 10.10 0 0	Jul 378/4 382/2 381/0 377/4	ST 5
in (Kuala Lumper market) 19.60r +0.01			Noble Plat. 619.65-626.75 334.60-338.40	PLATINUM 60 troy oz; \$/troy oz.	COTTON 50,000; cents/lbs	Sep 382/4 356/4 365/0 382/4	
n iNew York) 344.5c +1.5	Strike price \$ tonne Jan Mar Jen Mer	FREIGHT FUTURES \$10/Index point		Ciose Previous High/Low	Close Previous High/Low		3 4
nc (Euro. Prod. Price) \$1500 nc (US Prime Western) 72% c +1%	2250 153 179 33 110	Close Previous High/Low	Säver fix p/line oz US cts equiv			LIVE CATTLE 40,000 ibs; cents/ibs	н.
	2350 121 132 57 186			Jan 600.9 608.7 616.5 599.0 Apr 591.9 504.7 607.0 590.0	Dec \$7.00 57.56 57.93 57.11 Mar \$6.88 56.50 56.89 56.30		
attis (ilve weight)† 113.95p -1.94°	2450 73 95 117 227	Dec 1487 1489 1495 1480	Opot 332.20 616.25 O months 343.15 630.60	Apr 591.9 504.7 607.0 590.0 Jul 591.4 604.7 605.0 590.0	Mar \$6,88 56,50 50,89 56,30 Mary \$7,60 56,70 57,00 60,45	Ciose Previous High/Low	2
heep (dead weight)† 168.78p -6.98* los (los weight)† 84.31p +2.45*	Copper (Grade A) Calls Puts	- Jan 1503 1505 1510 1497 Apr 1538 1634 1543 1530	0 months 343.15 630.60 6 months 353.90 644.50	Oct 592.9 606.7 609.0 596.5	Many 57.80 56.70 57.00 60.45 Jul 56.90 66.75 56.95 56.50	Dec 72.50 72.32 72.75 72.20	6
Se fine neight		_ Apr 1538 1634 1643 1680 Jul 1365 1350 1355	12 months 375.30 673.75	Jan 696.4 610.7 0 0	Oct 56.71 56.70 56.71 56.71	Feb 72.87 72.62 73.06 72.37	, ^{ma} 14
ondon dally sugar (raw) \$279z -5	2950 400 316 55 221 \$100 296 248 99 299	BFi 1507 1501		SILVER 5,000 tray oz; cente/tray oz.	Dec \$7.05 68.80 57.05 \$6.65	Apr 74.00 73.70 74.15 73.62 Jun 72.47 72.20 72.55 72.10	
ndon dally sugar (white) \$296z -4	\$700 296 248 99 299 3300 160 175 157 422				ORANGE JUICE 15,000 libs; centa/lbs	Aug 70.45 70.10 72.56 72.10 Aug 70.45 70.10 70.50 70.05	
ite and Lyle export price £259.5 -3.5	3300 100 110 121	Turnovér 236 (653)	CRUDE OIL \$/barrel	Ciose Previous High/Low			state in the
arley jEnglish feed) £111.25q			Close Previous High/Low	Dec 609.5 \$13.5 619.5 608.0	Close Previous High/Low	Oct 69.35 69.00 69.60 69.10	•
teize iUS No. 3 yellow) £127		GRARS Stonne		Jan 614.6 616.8 0 0	lan 195.75 188.00 155.40 185.00	Dec 70.52 72.00 71.80 70.65	
heat (US Dark Northern) £112.75 -0.25	FRUIT AND VIQUETABLES		Jan 14.49 14.08 14.59 14.35	Feb 619.3 623.7 620.0 620.0	Mar 164.75 764.40 165.00 163.80	LIVE HOGS 30,000 Ib; cents/lbs	
ubber (300) \$ 56.00p + 0.25	Fresh ocean spray cranberries are new in	Wheat Close Previous High/Low	Feb 14.25 14.00 14.39 14.25	Mar 624.5 629.0 634.5 622.0	May 165.20 164.50 165.20 164.60		·**
	this week at 80p-21.00 a 1/21b punnet,	Jan 109.30 110.20 108.65 109.00	Mar 14.28 14.28 IPE kndex 14.08 14.07	May 634.6 639.2 645.0 634.0	Jul 165.60 165.40 156.75 166.00	Close Previous High/Low	
ubber iFeb) 9 82.00p +0.25	reports FFVIB. Other arrivate Include Jaffa	Mar 112,75 113.50 113.25 112.40		Jul 645.0 649.8 656.0 643.5 Sep 655.1 650.0 664.0 653.5	Sep 163.70 164.50 163.25 163.00	Dec 40.37 39.62 40.56 39.65	
ubber (KL RSS No 1 Jan) 278m	pomelos 70p-£1.00 each and Sharon fruit from Carmel 35-55p. Avocados are plentiful	May 115.85 116.55 116.25 116.55	Tumover: 7041 (4672)		Nov 101.05 160.25 0 0	Feb 44.30 43.77 44.45 43.77	
conut oil (Philippines)§ \$567.5z +7.8	30-85p (35-70p), as are peaches 25-45p	Jan 117.80 118.40 118.00 117.25		Jan 675.3 650.4 0 0		Apr 48.37 42.00 43.55 42.95	
aim Oil (Mataysian) \$ \$400q	(30-45p), Cabbage is still abundant 18-35p	Sep 101.75 102.20 102.00 101.75 Jan 107.00 107.00 108.85	GAS OF \$/tonne	Mar 686.9 692.0 687.0 687.0		Jun 47.55 47.00 47,55 47.60 Jul 47.57 47.25 47.85 47.50	ч.
xors [Philippines]§ \$375 +6	while potatoes - whites 8-12p, reds 12-16p,		Closa Previous High/Low			Jul 47.87 47.25 47.85 47.90 Aug 46.65 48.57 47.15 46,55	×.
Tyabeans (UG) \$176.5z + 1.0	bakers 15-25p -and bruasets sprouts 15-30p	4		COPPER 25,000 lbs; cents/lbs	INDICALS	Oct 44.05 45.55 44.30 43,70	
otton "A" index 59.8c + 0.4 nothoos (64s Super) 6000 -5	are unchanged. Courgettes are in shorter	Berley Close Previous High/Low	Dec 141.50 137.80 142.25 139.50	Close Previous High/Low	REUTERS (Base: Soptember 18 1931 - 100)	Dec 44.75 44.25 44.70 0	h
	supply 50-90p (45-80p) but subergines from		Jan 138.25 135.75 140.00 137.50				
a tonne unless otherwise stated, p-pence/kg.	Spanla and the Canary Islands are building	Jan 105.55 106.20 105.55 160.10	Feb 137.00 135.00 138.00 136.25		Nov 30 Nov 29 mnth age yr ago	PORK BELLIES 38,000 lbs; centu/lb	
cents/ib. r-ringgit/kg. z-Dec/Jan. w Nov/Dec.	in quantity at 60-85p (70p-£1.00). Salad supplies are still good, with cucumbers still	Mar 109.60 109.55 109.20 102.60 May 110.90 111.70 111.60 110.90	Mar 133.75 131.50 135.25 133.60 Aar 130.25 129.00 132.00 130.00	Feb 140.70 139.30 0 0	1963.3 1863.0 1894.0 1704.3	Close Previous High/Low	
Jan/Mar. u-Mer. q-Jan. †Meat Commission	30-50p each and tomatoes 30-55p a lb.	May 110.90 111.70 711.50 110.90 Sep 99.40 99.50 96.40	Apr 130.25 129.00 132.00 130.00 May 127.25 125.25 129.00 127.00	Mer 134.40 133.00 136.90 133.20		Feb 48.07 44.52 43.47 44.35	
	Round inttuce new costs 24-32p a head	Nov 102.40	Jun 126.00 125.00 127.50 125.00		DOW JONES (Base: Dec. 31 1874 = 100)	Mar 45.60 45.25 48.07 44.36 Mar 45.60 45.25 48.07 45.00	i.
the sale and the same from a week		(W)T 1997-18		May 125.40 124.00 127.00 124.80 Jul 120.80 119.50 122.00 119.50	Spot 135.70 135.66 135.13 131.82		3
wage fatstock prices. ' change from a week			Jul 126.00 124.50 124.05				
erege tatstock prices. * change from a week o. @London physical market. \$GIF Rotterdam. Builton market close. m-Malaysian cents/kg.		Turnover: Wheet 400 (134) , Barley 125 (140) . Turnover lots of 100 tonnes.	Jul 126.00 124.50 124.05	Sep 117.80 116.50 0 0 Dec 114.90 113.50 115.50 114.00	Futures 139.72 139.12 138.68 134.33	May 47.17 47.02 47.55 48.60 Jul 48.15 47.97 48.55 47.75	- c -



Government Secs

Ord. Di. Yield Earning Yid %(full) P/E Ratio(Nati)(\$) SEAQ Bargains(Spri

ionry Share Index, I

000's

Equity Turnove

a bit Feet

British Annap Drit, Aerospic British Gar _____ British Gar ____ British Land ____

Setting Telescold

Fixed Interest

Ontinary

Gold Mines

Dec.

1

86.97

87 10

1450.2

179.0

4.97

12.59 8.59 20,702

lourty

Opsning 010 ann. 011 am. 012 pm. 01 pm. 1453.9 1453.5 1453.9 1450.8 1449.5

Basis 100 Govt. Secs 15/10/26. Fixed int. 1925. Ord

285

al and the set of a set

アフラキ

Nov.

30

87.03

97.18

1458.0

178.4

4.89

12.30 9.84 21,642

1006.29

21,534 406.3

DAY'S LOW 1444.2

12/3/55, SE Activity 1974, White 9.55 (Excluding int

Concercial Union

Bu Quint

FIL Calcort

29

86.95

97.31

1455.4

181.1

4.00

12.33 9.82 21,828

836.02

22,617

LONDON STOCK EXCHANGE

Equity sectors resume their retreat

THE TECHNICAL rally

equities ran out of ste terday, and share resumed their retreat a tors faced the implication the market presented Government's determine fight inflation with a pound. London market also cautious ahead of today's ane as two business tige earlier important economic data from the US.

Corporate statements and results played their role in depressing equities yesterday. The market slipped away from the opening, with BPB Indus-tries, a major UK plasterboard producer, notably dull after the profits disappointed traders.

BPB hit

by price

war fears

Lower-than-expected interim results from BPB Industries,

coupled with growing fears

that developing competition in the plasterboard market from

that the joint venture between Redland and CSR will hit plas-

terboard prices, sent BPB's

shares reeling. At one point the stock fell to

218%p, but it later rallied mod-

estly to close a net 16 off at 223p. Turnover expanded rap-

idly throughout the session

The interim pre-tax profits

and eventually reached 11m.

were up 14.5 per cent at £104.1m, compared with the

£90.9m earned in the same

period last year. The figure was below most analysts'

expectations which had ranged

But it was a post-results'

meeting between the compa-

ny's directors and building

materials analysts that led to

subsequent heavy selling pres-

sure and downgradings of prof-its forecasts, Dealers said the

stock was being widely talked

of as "ex-growth", but there were suggestions in the market

that any further marked weak-

ness in the shares could trigger

Cadbury Schweppes, one of

the oldest takeover favourites

in the market, sprang to life

following news that General

Cinema Corporation (G C) had

reached agreement to dispose

of its soft drinks bottling busi-

ness for \$1.5bn. Hopes that G.C

might use the money to launch

a bid for Cadbury set off a

flurry of activity and the shares shot forward against

the trend of the wider market.

up to around £115m.

takeover activity.

Cadbury revive

t Germany's Knauf and

ire, the danger is of falling world a rising dollar i considerable i and offseeds pro ne EC costs the

rm

in Mr Andres

this month's

÷. .

on to be drawn e on stabillers importance of i The EC's iand lext year

lext year bar

revised down

A last year. The

en, however, b

ed mainly on the

JS drought the

20 make Commen

competitive

S, which used to

sore than hai o get, have haird

Hane to Sed to sta

ew months.

exteot of the SC: : in farm reform e erasserated the it be underem e can be no detta 1 attitudes and TS and EC official

ir years ago, the sat the price of an conid have been r 20 per cent at a

d have been inor the sector official ek in Brussela niesse fret trais r will we ever p e days of promy aned for the cors-

r the Community's al though the pres are already proany of the EC's h and thus for ha more will unices rdet a the impact ae EC and the IS a APR within the Ge istors have to see urther iarm mine which is why (as durtais are so he Film has heppenets be casen uno accord

10 partiy why mith ta nourie the EG structure, fonds in BOW DUCKY WIGHT 358 7274 27825 211 and can thus be pre-CONTRACTOR OF B Aree free mes D

and that any firm

15 10 (117) SUPPE

perstated mit m

r provins in the set Ceresa Sector November 11 207 . or 2 2 e 1) P 4 intermoter R. and Sar

104244444

......

10414

G C already owns some 19 per-cent of Cadbury equity. At one stage, the shares touched 355p, up 16, before closer investigation of the G C

am yes-	Account	t Deallan	Dates
prices-	Thet Deslinge: Nov 14	Nov 28	Dec 12
s inves-	Option Declaratio	Dec 1	Dec 22
by the ation to	Lest Dealage: Nov 25	Dec s	
strong	Acteant Day: Dec 5	Dec 19	Dec 23
s were	"New Sine dealer	05. 000 79	Jan 9

Next, the retail group, dis-closed, in a circular on recent asset disposals, that this year's results will be significantly down because trading is proving difficult in the second half of the year. This fresh indica-tion that the onward march of UK base rates is now cutting A further blow came when into consumer spending

980

940

920

Oct

their holdings."

after turnover of 2.0m.

strengthened worries over Christmas spending at the major stores; many retailers take half their annual profit from the Christmas season. Widespread losses in the

retail sector featuring Next and GUS contributed to a further downswing which took the market to levels regarded a significant by the chart specialists.

At worst, the FT-SE Index was more than 20 points off at 1771.7, which some chartists saw as an important testing level which, if breached, could eave the market vulnerable. However, a recovery set in late in the session, helped by firmness in the pharmaceutical

bution from retail investment sector, which has joined the list of defensive areas in an - both totals comprise retail increasingly nervous market. Consumer divisions were enlivened by a short-lived burst of activity in Cadbury-Schweppes as hid speculation were revived by the news that General Cinema, which has an 18 per cent stake, had turned a large profit on a deal in the US. However, Cinema later said it

had no specific plans for the profits. By the close of the session, the FT-SE Index had reduced its fall to a net 13.7 at 1778.7. Seaq volume of 465.5m shares compared with 444.8m on Wednesday, continuing to reflect only a moderate contri-

gradings to around the £97-

GEC shares were extremely

active, with bnying said to

have been triggered by stories that Hanson could perhaps be

contemplating a bid. US securi-

ties houses were said to have been aggressive buyers of GEC

net 4 higher at 177p on turn-

A broker's profits downgrad-

ing was said to have been

higher, and the shares closed 3

unchanged at 840p.

British Steel issue

Market perceptions

prospects for the British Steel

sale ebbed and swayed as opin-

ions circulated regarding the

response from private inves-

tors ahead of this morning's 10.am deadline for applica-

tions. Indications last night

that the offer could be over-

subscribed came too late for

the market. With no grey mar-

ket in operation, market fore-

Unigste continued to attract

of

over of 5.9m.

198m level for the full year.

CEDL

and intra-market business London was also helped in late dealings when Wall Street steadied on the announcement of the October leading eco-

nomic indicators for the US. Views in the UK of the outlook for the US markets have improved this week, although much still depends on the response to today's data on US employment and construction expenditure.

Meanwhile, tensions inside the London market continued, as Warburg Securities, a lead-ing securities house, withdrew from making markets in South DAY'S HIGH 1465.7 African gold shares.

the contest remains very open. Stocks exposed by the over in electronics - 8.4m changed hands - with the shares shipping 2% to 93%p strengthening pound fared hadly. British Aerospace was again a target and lost 8 to after news of in-line pre-tax profits of £40.1m, up 74 per 431p - the group is seen as vul-Analysts said the market was slightly disturbed by the nerable to currency pressure on both its main fronts, aircautious statement accompanycraft and motors. ing the results which could well, they said, prompt down-

Profit-taking accounted for a fall in Eurotunnel of 17 to 431p, in spite of pledges at this week's board meeting of better progress next year with the astruction work.

On the plus side, Chamber-lin & Hill put on 8 to 233p on news of a unit fund holding of 22.8 per cent. An announcement of increased profits by stock amid hints of an asset revaluation. The shares touched 178p before closing a Monks and Crane lifted the stock to 93p, a rise of 5, and Scott Robertson rose 15 to 260p following disposal of a holding. Cundell Group rose 15 to 186p after the bid statement by Jefferson Smurfit, down 3 at 3770

responsible for a flurry of sell-ing in Cray Electronics, which plummeted 34 to 167p. Properties retraced their steps. Most recent frontrunners The Food sector saw United Biscuits follow Csdbury shed some of their gains, with the notable exception of Hammerson, where the "A" shares better at 289%p after turnover of 1.7m. Tate & Lyle pleased analysts with its results, but refused to concede much ground and closed only a shade off st 896p. Great Portland gave back 12 to 382p and hary failed to inspire them at the post-results meeting and the shares lost early gains to end

ties moved in unison with MKPC, the second largest UK property group, and ended 11 down st 578p. Mountleigh meanwhile displayed scant response to a press report that a US-led consortium was prepared to offer 220p a share for a secured bid. There was also speculation that the Galerias consortium is ready to increase its 21.5 per cent holding. Favourable comment on

prospects after the sharply

ana kanalang 2,008 4,358 1,980 3,560 3,560 -184 Tate & Lyte .. -1 Rawines & Cont. **** n I Cabace

taris & Spenny . Langii Contu.... Kidani Bast...... Int. Vist. Bast

FINANCIAL TIMES STOCK INDICES

26

86.96

97.24

1452.9

179.4

4.90

12.30

24,088 850.34

24,443

02 85

The following is based on trading volume for Alpha securities dealt through the SEAQ system yesterday until 5 pm.

1446.3

25

87.48

96.97

1482.6

175.7

4.87 12.20 9.93

32,373

1381.08

31,731 677.1

TRADING VOLUME IN MAJOR STOCKS

1445.3

Ago

89.87

96.85

337.0

4.81 12.15 10.06

23,323

875,80

22,842 467.7

14512

●3 nm. ●4 nm.

High

91.43

(18/4)

88.67

25/5

1514,7

(8/6)

312.5

(7/1)

Volume Cleating Bay's 1000's Price change

Ling and the second

-985586

큟

-14

•

Low

85.25 (12/9)

94.14

(8/1)

1349.0 (8/2)

162.7

(22/9)

Indicas

Gilt Edged Bargains

Equity Barga

Gilt Edd

Equity Value

5-Day averag

Gilt Edged Barge Equity Bargains

Value

London Report and latest Share Index: Tel. 0898 123001

Salicitary

Sinte Sinte & Septer . Stantari Clarit.

THORE END.

higher interim profits boosted Rowlinson Securities 13 further to 2100.

There was no respite in the pressure on Textile leader Courtaulds. Investors continued to reduce their holdings and during volume of 3.7m shares the price slithered 8% further to 248%p. A morning suspension of trading in Corah was lifted following the announcement of a recommended offer of 75p per share from Charterhall and the shares closed 61/4 up at 71 %p. The oil and gas sector

has been little going on, despite the strength of crude prices", commented one trader. Brent for January delivery was up some 50 cents towards the clo

where Kelt Energy is currently bidding 115p a share, closed 1 % up at 117p. Talk in the market suggested

that the possible alternative bidder could well be from the Continent - Spain's Repsol was said to be at the front of the queue - while British Gas, possibly interested in Carless's stake in the Wytch Farm oilfield, was also mentioned as a likely candidate. There have been reports that an announcement of a further oil find at Wytch Farm is imminent.

 Other market statistics, including FT-Actuaries Share Index and London Turnover in traded options reached the modest level by Traded Options, Page 30

moved to the centre of the stage. A string of downgradings by analysts, notably Mr Nick Bubb of Morgan Stanley, sent clothes and mail order companies lower early on, but the decisive bad news came from Next. A ran of small disposals recently failed to improve sentiment for the ailcent. ing chain and yesterday's profits warning was, according to one dealer, "the last straw".

FT-A All-Share Index Equity Shares Traded funnover by volume (million) 700 Station of the 600 500 400 1.1 10-040 300

-----7 1 200 Oct Nov Dec Nov Dec **Property for view**

9880, Burton lost 10 to 171p in turnover of 3.6m. Sears Several analysts thought dropped 4 to 122p (turnover MEPC's latest property revalu-ation mildly disappointing, but the main drag on the shares yesterday was without doubt 7.2m) and Woolworth shed 10 to 245p (2.8m). Storehouse, buoyed up recently on stake-building and takeover speculathe uncertain tone of the tion, fell 8 to 204p in good volbroader market, Group annual ume of 10m shares as investors profits were marginally above expectations, showing excellooked to take profits before they evaporated.

lent growth of 30 per cent, A profits downgrading of while the accompanying reval-uation revealed a net asset NatWest by County NatWest's John Aitken drained some of value (nav) of 727p a share the recent confidence in the compared with 533p previously. Market estimates had ranged banking sector. NatWest shares fell back to 532p before from a lowly 670p to 750p, with steadying to close a net 10 Warburg Securities, the group's brokers, forecasting lower at 534p; turnover was

3.5m, well up on recent levels. Barclays drifted back 6 to 720p. One property specialist said: "I was seriously looking for an nav of 750p and told 415p on 2.5m, while Lloyds lost 8% to 332%p. Royal Bank of Scotland's preliminary results, clients so. Those who bought stock must feel ill-advised and showing pre-tax profits op the indications are that they around 57 per cent at £309.2m, could either sell or lighten

compared with £197.2m. were et the very top end of the range, but profit-taking set in Marketmakers saw little pressure to sell yesterday, how-ever, and the shares rallied and lowered the share price 9 to 3560.

from the lowest level to close The building sector ran into 11 down on balance at 558p, fresh pressure, with one securities house said to have been large sellers of many of the leaders. Redland, getting into The Stores sector once again the plasterboard market with CSR, was upset by the BPB news and lost 8 to 404p, Finlan Group jumped 5 to 83p in se to the more than trebled interim figures and news that WCRS is increasing its stake in the group to 10.5 per

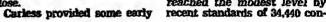
> BOC went strongly against the trend, rising 8 to 405p in turnover of 1.2m shares after talk of a bullish presentation

casts of the premium expected on the 60p partly-paid shares continued to focus on the IG Index quotation. This invites customers to estimate the clos-ing price on Monday, the first trading day. The Index slipped

to \$112p 6412p yesterday, its lowest quotation to date, and contrasting with 65p-68p overnight.

Merchant 9 to 436p. Sector leader Land Securi-

proved disappointing - "there





Int. Chest.

tracts, consisting of 20,460 calls excitement, with one securities house hidding the shares up to and 13,980 puts. Trading in the 1200 following news that the oil company is involved in talks with a third party which could lead to an offer. Carless,

FT-SE 100 index once more captured a heavy part of the day's dealings, with 8,847 con-tracts comprised in 3,950 calls and 4,897 pnts. GEC led the field in individual options stocks with 2.245

Since Compile

1926.2 49.4 (16/7/87) (26/6/40)

(15/2/83) (26/10/71)

86.6

139.5

2034.0

107.3

165.5

2122.4

ور في ا

49.18

(3/1/75)

50.63

(3/1/75)

43.5

Nov. 30 Nov. 29

110.2

146.5

1689.0

108.7

109.7

2189.6

GOO's Price change

SAN CON

FUS RORAS

High

127.4

(9/1/35)

105.4

(26/11/47)

734.7

S.E. ACTIVITY

call and 475 put contracts traded, dealings lying largely in an expansion in the January 180 calls. It was Jaguar, however, which captured the eye, attracting 2,225 calls and only 184 puts - dealings including the opening of interest of some 1,000 contracts in the January 330 calls, which closed at %-1%p.

announcement dampened announcement dampened enthusiasm. It emerged that PepsiCo, the purchaser, will pay for the deal in 20 year interest-bearing notes, rather than the cash which had been assumed by the London mar-ket. Further, a G C spokesman said that the company had no specific plans for the proceeds of the disposal. - Carve 100 7475 . 19-19-16 Turnover in Cadbury shares had already jumped sharply, but it eased off as marketmakers reversed their prices and at the close the shares were 345p, a gain of just 6 on the day. Volume was 12m, most of which was dealt in the period after the initial G C announce-.

STATISTICS . ment, **BNP** City TANKARAS office posts BANQUE NATIONALE DE PARIS, London, has appointed Mr Robert Amzallag as managing director. He was general manager of BNP Australia. Mr Christian Aubin, N. 7 7.67 The second second senior executive vice president, and Mr Alex Kinnison, general and mir Alex Annuson, general manager, also become directors. The board of the newly-acquired BNP Morigages comprises: Mr Kinnison, ----chairman; Mr David Cameron-Moore, managing director; Mr Daniel Métadler, finance director; Mr Amzallag, Mr François Brunot and Ms Dominique Saglio, senior vice presidents of BNP, Mr Barrie Lewis-Ranwell, Mr Christopher Marney and Mr Derrick Beardsley, all join the

hoard.

Mr Stewart Brammer, formerly managing director of Bonar August Systems, has joined ACTION INSTRUMENTS, Chichester, as managing director.

group.

appointed senior administration manager in

ASSURANCE COMPANY.

at STANDARD LIFE

continues as managing

director of The Levitt Group.

Mr Richard Laff has been appointed deputy chairman of LONDON REGIONAL TRANSPORT's property board.

Mr Edgar Evans has been appointed general manager (home service marketing and sales) and Mr Rodney Griffiths becomes general manager (home service administration) at PEARL ASSURANCE.

liquid gas supplier Air Liquide after 135%p. There was little cheer across of France.

Turnover ballooned to 10m

shares as the price collapsed to

the sector. GUS "A" fell 16 to Ferranti headed the turn-

NEW HIGHS AND LOWS FOR 1988

APPOINTMENTS

AUEW HIGHS (16). AUEW HIGHS (16). AUERICANS (1) PJP Hiddson Inc., BANGS (1) 758 Charnel Interfa. SULDWIGS (1) Pachina, BLECTRICALS (1) Polytechnic Beol, Estameng Grp, MCOTORS (1) Polytechnic Beol, Charning Grp, MCOTORS (1) Primace 112 pc La, 96, PAPERS (1) Candell Grp, PROPERTY (2) Este, 8, Agency, London Shop Prog. 2,250 Var. 94, Rowinson, Storp Prog. 2,250 Var. 94, Rowinson, Storp Prog. 2,250 Var. 94, Rowinson, Storp Prog. 1,250 Var

Tiphoos, PLower Prode. SHOW LOwes (1903). By Selicitude (1) CANADIANS (7) Breakword PANEDS (11) CANADIANS (7) Breakword PANEDS (9) Hambros, Kielwrost Bennon Grp., Wintrue, Woodchester, Bertoley Grp., Creat Nichol, Do. 612 pc Pl., McAlpine (A.), Monten (J.), Raion Inds., Ward Hogs, Wilson (G.), Challer Ands., Ward Hogs, Wilson (G.), CHAINCALS (2)

speculative interest, edging up 3 to 285p in trade of 3.6m. One dealer is thought to be quietly buying sizeable lines of stock, heightening talk that a stake is being accumulated. The heaviest fall of the day came in Bejam, down 18 to 170p and at a 22p discount to the share bid from Iceland Frothe share had non increased at 320p. The new bid terms announced by locland yesterday were described by analysts as, "very risky, leaving the bid in the balance", while dealers were left counting the cost of the fall. There had been wide-spread confidence that Iceland would make an increased part-cash offer and win the day, but

GROUP OPERATING PROFIT AFTER INCOME TAX AND MINORITIES A\$693m up 69%

- Achieved after augmenting the general provision by a further A\$50m after tax to recognise problems in countries rescheduling external debt.
- Also after an A\$47m charge against profit and loss relating to sell-offs and write-downs of exposures to countries rescheduling external debt.
- □ Income tax expense A\$520.7m up 31%.

Operating Profit and extraordinary items (after income tax) attributable to Proprietors A\$761m up 185%.

EARNINGS PER SHARE 94.0 cents up 61%

(Based on average number of shares and adjusted for new share issues in 1988).

Net tangible asset backing per share (adjusted for new issues in 1987/88) A\$5.60 up 8.3%.

Returnonaverageshareholders' funds 15.5% (1987: 11.71%).

> CAPITAL RATIO 9.4%

(on Reserve Bank of Australia's risk adjusted basis).

□ Well above the Reserve Bank of

Australia's minimum 8% requirement. Group assets A\$84.6bn up 20%.

DIVIDEND 43 cents per share fully franked

- Final dividend of 18 cents per share. fully franked. (Interim dividend was 15 cents per share).
- □ Special dividend of 10 cents per share, fully franked.
- □ Total dividend payout ratio of 59%.

OTHER HIGHLIGHTS

- Savings bank housing loan approvals for the year A\$3370m up 76%.
- Productivity improved. Ratio of income to expenses up from 1.53 to 1.58.

OUTLOOK

C Westpac faces the future with confidence, based upon:

- a strong underlying profit performance
- a strong capital ratio
- a strong general provision .
- progressive and dedicated staff

Against this background, the prospects forfurtherprofit growth are encouraging.

> Westpac Australia's world bank

Senior posts at NEDO Mr Douglas Fraser has been appointed industrial director, and Mr Kenneth Mayhew becomes economic director at the NATIONAL ECONOMIC DEVELOPMENT OFFICE. Mr Mayhew is tutor in economics at Pembroke College, Oxford, Mr Fraser was NEDO

operations director. MOSCOW NARODNY BANK has appointed Mr Malcolm Magre-Brown as senior manager and head of its

Mr Emery Leblanc, formerly works manager of Alcan Arvida Works in Cauada, has newly-created joint ventures and project finance department. He was a vice president of American Express Bank. Mr Raymond King has been appointed managing director of the primary and recycling division of the BRIT-ISH ALCAN ALUMINIUM been appointed deputy general manager responsible for business operations. He was assistant general manager and head of management services Mr F.J. Clements has been at Christiania Bank Og

Kreditkasse, London. administration development BIBBY LINE GROUP appointments include Mr Rennie Barnes as financial director of Bibby Bros. & Co. (Management). Mr Alan Sinclair becomes regional LEVITT GROUP HOLDINGS

has appointed Mr Staart director, south, of Bibby Distribution Services. Neshitt as a director. He director of The Levitt Group (Financial Services). Mr Stephen Hopkins also becomes a director. He continues as managing director of The Mortgage Collection and

Mr Richard P. Horton has been appointed finance director designate of TYNDALL, and will join the board in February. He was controller of Brown Shipley.

EUROPEAN BRAZILIAN BANK P.L.C., London, has changed its name to KUROBRAZ LTD. Mr J.J.A. Mirão bas been appointed general manager. He was





ELOPAK, Stevenage, has appointed Mr Ross Shears

(above) as managing director of its UK operations. He replaces Mr Finn Meiland who becomes vice president of com-mercial operations, Europe.

Mr Shears was general man-ager of Gadsden, Pure Pak licensee in Anstralia.

senior manager - banking. Mr R.C. Westmacott becomes company secretary and chief

BRAY TECHNOLOGIES,

Leeds, has appointed Mr W.

Smith as director and general

manager of Bray Lectroheat.

He was sales director.

accountant.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED

42

5 58 37 56 37 56 37 56 216 40 142 264 51 82 7 18 27 19 45 40 181 28 5 89,00 89,00 95,78 -012 10.9 51 47 5 17 7 5 155 -9 -04 20.01 51 222 0 222 0 235 4 -0.7 0.29 51 56 8 56 8 56 8 -179,7 +02 107 51 26 8 56 8 56 8 -179,7 +02 107

5 318.0 318.8 340.5 -3.0 3.62 5 36.14 36.75 39.13 -0.376.23 5 161.0 161.0 171.4 -1.02.06 5 175.5 173.5 184.7 -2.62.23 5 96.59 96.59 102.8 -1.02.74 81.91 81.91 87.23 +0151.94 231.8 251.8 268.1 -3.90.31

Chings Price Price Price . Con ada Life Unit Tst Hgrs Ltd (1200)F Ngi St. Potlers Bar. Herts 0707 5

6 Strangely it is more about having equal dimensions (9) 7 Prayer (small one before

performing) (8) 8 Engineers likely to be

dependable (8) 11 Exhausted Asian in club (4)

Not bothered, laughs uncon-trollably during attack (9)
 Sam's not prepared to take note. Jock (6)
 Joined doctor inside once I'd

moaned (6)

· · · · · · · · · · ·

 Constraint
 String
 <thString</th>
 String
 <thStrin

Prodestial Holbern Unit Tsts Ltd (1445)H 51-69 liferd Hill, Iflerd, Esser Kil 201. 01-478 3377 Holberg LiftLine 0800 010345

 House UK Cream
 Site S 59 - 63
 Site S 59 - 63
 Site S 50

 Guilitzer Mazagetenweit Co Ltd (0905)F
 Site S 50
 Site S 50

47.744.51197.227

Helbern Gaulty int Helbern Europeen Helbern Europeen Helbern Intl Grth ... Helbern Intl Sin Co Helbern Intl Sin Co

Persenai Sajar Ca'r railr Ca'r

e are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help deak on 01-925-2128

CROSSWORD

No. 6,801 Set by GRIFFIN

ACROSS 1 Ex-directory union leader has STD line fixed (8) 5 Captain removing head of Each (2)

- fish (6)

- fish (6) 9 Required to follow poor Eden around (8) 10 Those turning left finding somewhere to stay (6) 12 Diamond I stole is around look inside (9) 13 Unusually cunning, kiss sweetheart back! (5) 14 Pine from end to end (4) 16 Our Tim turned 50, causes

- 14 Pine from end to end (4)
 16 Our Tim, turned 50, causes an uproar (7)
 19 Angry little man when thwarted (7)
 21 Very short distance from, home to church (4)
 24 Jack's taking it back I cruellowed a brue (5)
- swallowed a bone (5) 25 Fiance could ba hotter in
- bed! (9) 27 Servant with years to run
- (6) 28 Ideal loo at inn needs reno-
- vating (8) 29 Terribly untidy naturists go for it (6) 30 Good man darned mad if left
- without transport (3) DOWN 1 Worried it could be difficult?
- (6) 2 Rarely tell doctor about it
- (6) 3 Fits new front wheel in fast

(5) (a) 4 Round five to nine rising,

say, for a time (7)

Telspontering 51 202.0 202.2 24 21-0.11 -Eagle Star Unit Ningers Ltd (1900)H Exth Road, Chellenitmy 61.53 740 Bith Road, Chellenitmy 61.53 740 Bith Chellenitmy 61.55 Bith Chellenit

le Units Admin Ltd (1600)F

5 Admin Ltd (1600)F 70, Brid, H721 Toyl, 62% 631460 1840,080 41,85 44,33140,441,59 451,127 51,43 94,724-0197,546 1923,59 43,731,20,000,571,005,38 451,440,553,44 88,904-0152,075 452,74 34,04 57,554,941,139 452,74 34,04 57,554,941,139 452,76 34,04 57,554,941,139 452,76 34,04 57,554,941,139 452,76 34,04 57,554,941,139 452,76 34,04 57,554,941,139 452,76 34,04 57,554,941,139 452,76 34,06 144,04 ,113,00 5185,01 87,31 92,191,4432,37 5185,01 87,31 92,191,4132,30 5185,01 87,31 92,191,4132,37 5185,01 87,31 92,191,4132,37 5185,01 87,31 92,191,4132,37 5185,01 87,31 92,191,4132,37 5185,01 87,31 92,191,4132,37 5185,01 87,31 92,191,4132,37 5185,01 87,31 92,191,4132,37 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 87,31 92,191,4132,31 5185,01 92,191,4132,31 5185,01 92,191,41 changed (8) 20 What's owed on cot (upright ar Eastern model) (4) 21 French king races round after fashionable anthem (7) Special Sits after fashionable anthem (7) 22 "What half?" poor Enid

23 Rotten theologian in crooked deal (6)

26 Board requiring consent of two Europeans (5) Solution to Puzzle No.6,800

Contrar Fund Managems Ltd (1440)F 23 Grineral Yard, Exercise 21 (1440)F 23 Grineral Yard, Exercise 21 (140) 71 of him Taxis, States 23 (142) 20 (142) (142) 71 of him Taxis, States 23 (142) (14

MARMALADECAY BNOULAYRL EUGENICMONTAGES SUAKNIIIF, TILER BEECNHUT OAGADOA FORTHENELLOFTT BYULSST RAFTUNDERPITCH IODSCORE TROOP LDUEFBUOG SOFABEDORANGES

d II U O L H D Recapitulate

Inc) Sel Oops W'wide Recovery . Deerseas Trusts American Sel Opps Anterican Sel Opps

 $\begin{array}{c} \dots 568.63 \\ 856.7 \\ 856.$ European Euro Sel Opps...... Far East Japan Sei Opps Pacific Growth

Strategy F 0 99.05 0 102 7 0 100 3 0 99 18 0 161 6 0 96.69 0 100 9 0 100 9 0 100 9 0 100 8 0 100 8 100 9 - 091 104 3 - 091 104 3 - 091 101 9 - 091 109 2 - 091 100 2 - 091 100 2 - 091 100 2 - 091 100 2 - 091 100 2 - 091 100 2 - 091 100 2 - 091 100 2 - 091 100 2 - 091 100 2 - 091 100 2 - 091 100 2 - 000 10 - 0 pr Fants 1.05 100.9 1.27 104.3 103.101.9 1.8 99.92 1.8 99.92 1.8 101.0 1.8 101.6 103.6 103.6 103.6 104.0 105.0 104.0 105. dex Linked Girt 9 _1

Pactfic lac # . VK Spec Oppr victor Stray 1754040407 4110 410 7350 6899 6899 7350 7728 5728 7945

Unit Tst xt Mgrs Ltd (1.000)1 H.EC3 02-623 933 45.62 49 421-8040 88 40.88m 43 44 -0240 56 2251 6 40 954 43.57 - 011 0 32350 344 20 - 4.05 4 89 22 94 92 - 031 0 10510 111 95 - 6 41 0 252 50 111 95 - 6 41 0 252 50 274 50 - 0 0 155 90 111 95 - 1 0 155 90 111 50 - 1 1921 - 1922 - 2012 - 20

LAS Unit Tst Mages Ltd (1000)H

31. 031-2254908 36.48 40 941-623 1 25.48 40 941-623 1 92.68 24 08-012 6.69 1 93.6 20 00-011 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-010 1 93.6 20 00-000 1 93.6 20 0000 1 93.6 20 0000 1 93.6 20 00000 1 93.6 20 000000000000000000

L & C Unit Tst Megant Ltd (0905)F Piercy House, Copital Ame ECR 786 01-568,2900 Income 11 & Coperat 11277 5 273 404 3 1295

Laurentian Unit Tst Magant Ltd (1200)H

Lazard Unit Tst Mogrs Ltd (1200)F

Legal & General (U.T. Mgrs) Ltd (1200)H

Lioyds Bk Unit Tst Migns Lid (1000)F PU Bor 63, Chatham, Kant M64 478 Doming 0544 83451 Doming 0544 834511 Doming 0544 83451 Doming 0544 8 o (Accum) o (Accum) nergy lat) o (Accum) A GACCUTT) Accession an Grown Accession for Trast American & Gen (Accurd Im Sm Cos & Rec. (Accurd) offic Basia

II Cos & Racy

GUIDE TO UNIT TRUST PRICING

Many Marlot UT North Assertan. Accum Brits ... Smaller Das ... Accum Units ... Maridian lacome (Accum Units) ... Maridian Growth ... Bantaan Growth ... Satt & Final

Income Japan & Pacific Money Market Rorth American Revolut Manapel Wildland FSAVCS

Cilt & Fland Int

Peoples Managed ... Widtand Executive Gitt & Fhand Jot ...

Income Japan & Pacific ... North American Pend

· Managed .

48.511 48.75 47.95 47.95 47.95 47.95 47.95 47.85

Construction of the second sec

Converte autore autore

11-1-24 17-1-34 17-

-31, 72,74 72,74 77,29 12012,94 -51, 25,87 25,87 27,23 400,82 -34, 12,84 12,24,12,37,87 -34, 12,98, 19,96 27,25 400,84 -34, 12,98, 19,96 27,21,10 400,84,55 -34, 12,98, 19,96 27,10 400,455

49.24 439 3.13 51.29 -022 8.46 49.84 -044 4.05 70.05 -022 8.46 52.49 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -029 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.0 52.40 -020 9.00 -0

10 34 422 8.45 20 33 10 4 4.05 22 47 40 10 00 47 16 00 11 0.06 50 50 00 10 12 17 50 50 00 00 12 17

7.66 47.86 50.36 406 10 7.66 47.77 50.28 406 10 7.68 47.77 50.28 42 42 4 7.68 48 48 51.24 40.64 40 1.75 45.42 47.81 40.162.24

INITIAL CHARG

Intrust conserves These represent the marketing, administra purchasers. These charges are included to OFFER PRESE. The price at which units may be booght. The price at which units may be sold. GNHCELLATION PRICE. stacting, administrative and other costs which have 10 be paid by new get are included in the price when the castomer base only.

ELLATION PRICE ELLATION PRICE aximum spread between the offer and Old prices is determined by a formula laid down a government. In practice, unit trust, managers quote a much narrower spread. As a t, the did price is often set well above the minimum permissible price which is called the station price in the Lain. However the bid price engint be moved to the cancellation in circumstances in which there is a large excess of sellers of units over howers.

price in circumstances in which there is a large excess of selects or units over beyers. TIME: The line shown alongside the fund manager's name is the time at which the unit trasts' daily dealing prices are normally set unless another time is indicated by the symbol alongside the individual unit trest name. The symbols are as follows: $\Psi = 0001$ to 1100 hours; $\Phi = 1101$ 10 1400 hours; $\Phi = 1401$ 10 1700 hours; $\Phi = 1701$ 10 midalght. MISTORIC PRICING The letter H denotes that the managers will deal on a historic price basis. This means that investors can obtain a 7km quotation at the time of dealing. The prices shown are the latest available before goolication and may not be the current dealing levels because of an intervening portfolio revaluation or a switch 10 a forward pricing basis. The letter F denotes that prices are set so a forward basis so that investors can be given an definite price in advance of the purchase or sale being carried out. The prices appearing in the parsager show the prices at which deals were carried out yesterday. Other explanationy notes are contained in the last column of the FT unit Trust Information pages.

621012g

Perpetual Unit Tst Mogent (1200)F

Etinburgh 34 134 3 134 3 74 124 3 134 3 74 209 9 5 34 57 34 99 5 34 57 34 99 5 36 40 26 A1 5 37 67 37 784 5 61 A3 61 82

Peg Geobal Re _____3/129.1 119.1 126.7/-0.52.80 Sentized Faush Managurt Ltd (1000)F See Abtrost Hepot Ltd Smith & Williamson Unit Tst Mgrs (1000)F I Riden House St, London Unit Tst Mgrs (1000)F S & Williamson Unit Tst Mgrs (1000)F S & Williamson J, 224.6 180.00 137.910 122.00 S & Williamson ____3 124.6 120.00 137.910 122.00 S & Williamson ____3 124.6 120.00 122.00 S & Williamson ____3 124.6 120.00 122.00 S & Williamson ____3 124.0 120.00 122.00 S & Williamson ____3 124.0 120.00 122.00 122.00 S & Williamson _____3 124.0 120.00 122.00 12

Stewart Ivory Unit Tst Mers Ltd (1500/H 46 Obriotie St. Edinburgh 001-225-327 American 1997 1975 1945 1945 1945 (According 1997 1945) 1945 1945 1945 (According 1997 1945) 1945 1957 1945

5451.5 5451.5 545.46 5108.7

Sam Life Trust Magazt Ltd (1200) 101, Canan St. Landor ECHI SAD Admin 4 East 01-406-4044 Dauling 01-Manter Corrigin. 51-126.44 Zalah. 30 681-

n Unics)...... m Unics)..... m Unics) m Unics)

Equity North America Far East W write Band, W write Flaans W write Technete Earstyna Earstyna Earstyna Earstyna Fartfolie Partfolie

IX Income

101, Cannes Se Balance Portfollo Manare Portfollo Amer Growth Acc Can Protocitar Acc Can Protocitar Acc Can Protocitar Acc Can Protocitar Acc Sano Grand Acco Euro Iscone Acc Euro Iscone Acc Iscone Acc Iscone Acc Ist Iscone Ist Ist Iscone Ist Ist Iscone Ist Ist Iscone Ist

Sen Life of Can

5 114 5 0 114 5 0 125 4 5 144 5 0 144 5 0 127 4 5 144 5 144 5 144 5 177 5 5 144 5 144 5 144 5 177 5 5 777.8 872 8 855 0 5 777.8 872 8 855 0 5 777.8 873 8 5 777.8 8 77 8 5 777 8 5 777 8 5 778

4015 4015 4014

14443 4018 42.74(-490 7) 147 22 47 72 40 23 40 79 147 22 47 72 40 23 40 79 147 22 47 75 9 50 41 21245 157 72 47 23 50 2014 712 53 154 73 47 23 50 2014 712 54 Anata Unit Mays Ltd (09055)/ Anata Unit Mays Ltd (09055)/ 10 23 90 224 53 16 40 41 7 154 71 20 57 002 23 72 4470 1 Anata Ltd (02001kt Magnet Ltd (02001kt

۰÷.

÷.,

1

.:

20.

. .

.

R 114 114

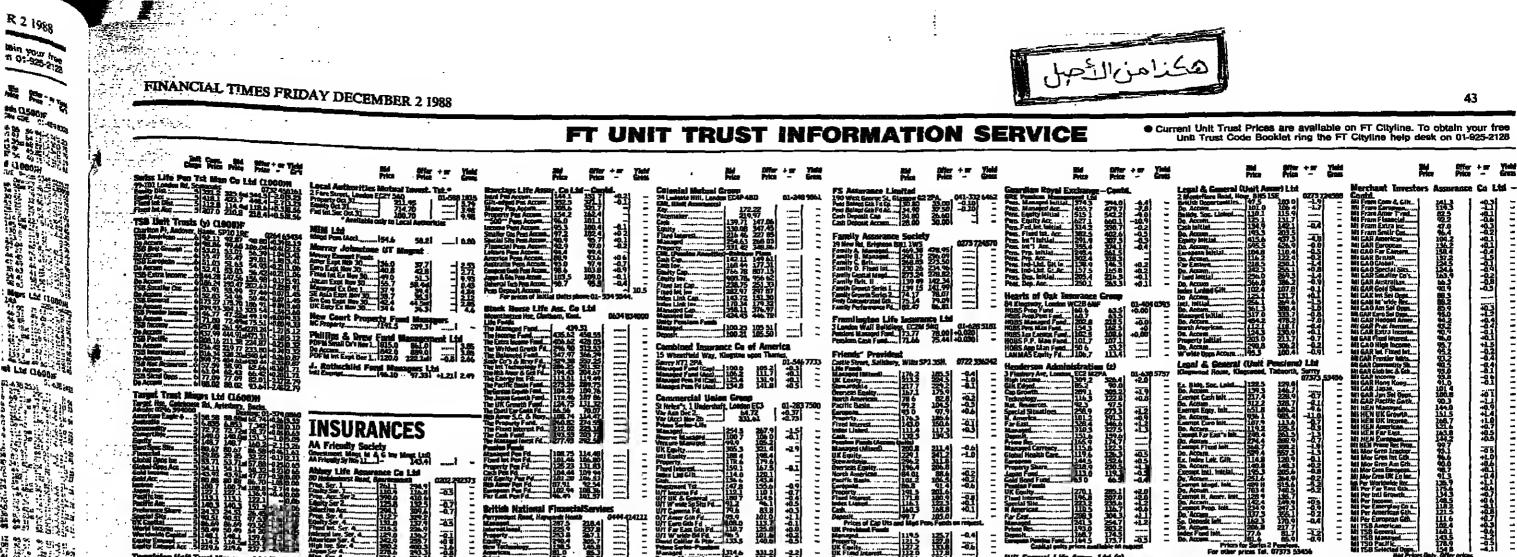
6 TH 6

. Чона н

No. 14 18 18 19 19 19 19

~ -

 $\lambda + \mu_{\rm eff} \lambda$



556 855 1 56 421188 454 695 8 224128 8 454 695 8 19128 8 454 695 8 19128 8 11406811207 1107249007 910255 1047317257 10221427 10477377257 Z70.1 196.1 21.2 110.2 6 00150 0 00 00 00 Hacome Fd WK & General W wide Sp Sta Fd Gamma Fd Gamma Fd Euro Gab Fd Far Easa Gab Fd W wide Bd Fd Do, Accum Exempt H. Amer. Int. Do, Accum So, Decession From Int. Do, Accum adex Fund Init. Do, Accum 28949533866 1188118418825319 1188118418825319 Seitish National Fig es of Cap Ut 481178199888817947949951494997448511 UK Pr 4 14 1444 144 14 14 4 -1195 2788 11788 1 Cardina 1 1146 968 927 394.9 218.9 179.7 158.2 151.7 158.6 90.9 44444 44 4 1141914199574 Templeton Halt Trust Ma es Co Ltd inked . Midland Life Limite Iterwich Hse, Commercial 31511400199277246567452992244529 American 6 Basin. . Managed 5800550 1972 1575 1374295294195294741111747 541 0 175 1 1676 4 33512329932929293 33552929993292999 111111111111 Idea Lad Gilt Defensive Fil. Secure Fil. LIK Equily Fil. International F THE 10000F The tex Uoit I ╪[┿]┥╡╪╪┿┿┿╪┿┿┿┿┿┿┿┿┿┿┿┿┿┿┿ Pens Access. Pens Cap.... Islans Access. ensions Cap. Continental Life Ins PLC ling 01-49 Money Mus Flood Inten 29-4141-40 89497141199779777 Property. Flaced Viet Indexed Li Intol Cerr Deposit 365.6 539.22 204.7 1470.7 1470.7 1556.7 574.8 181.9 Municipal Life Ad Egany reison New Tech Pess May Tech Pess Intil Pest According Intil Pest According Fload Int, Pess Fload Int, Pess State of Social Cathood Social Accellan Ford... ent Ltd 8419249949797979998 101. 101. DUBBLIC DUB 19617084969 19617084969 London Ardenn & Niber, Mil. Assar, Li tee Hears of Dat leavance Group London Indonmity & Gal, Ins. Co Ltd 18-20 The Fortury, Respins Space Sites nement Ltd ar, Lisi stract Ma 02-3746902 299.05 314.79 -____ al Five Star... J America... U Works Iones U Emers, Miss B. Schler, Miss B. Sc 332335225 na Life h NACE Co Ltd 12:3 :안광 CCL Assurance Ltd 74 Sherherds Bush Green, Life Funds UK Egetty _______ Cornivill Into 57 Latvesed, G . . Lancing Life 100 Temple St, Bristol BSL 6EA PLC 1275 11260 1479 1479 W1285D 61-740 7070 ÷6425455555566666665 0272-279179 556.5 188.0 304.0 160.0 287.5 1119000767753775 <u>またちちららららいからいちょう</u> 14544444 192 1 249 1 291 8 192 9 195 0 195 0 195 0 195 0 American Equity..... Far East, Equity..... Manopy: Fael Acc. Internetican Equity. Gitt Edited... Monty Fael... GCL Henderson... GCL Property..... CGL Property...... Statifer Col...... Accident Linted Life A Street, York Y01 Life, 1753 1844 1753 1844 1753 1844 1753 1844 1842 1231 1955 1842 1945 1943 1945 1943 1945 1944 1945 1946 1945 1947 1945 1946 494.5 334.9 224.3 100.5 198.1 777.2 510.7 194.2 103.9 520.6 535268 2480.6 1288.7 1287.7 1297.7 1077.7 100 ዿ፟ኇጜ፟፟ጚ፟ጜ፞ጜጜጜኯኯኯኯኯዾኇዸኇኯ፟ዀ፟ፙፙኯ፟ዾዾ፝ጟ፟ዄዿኇፚፙኯዾኯኯኯ፟፟፟ ዾ፝ኇፚ፝ዀዀዾዾኯኯኯኯኯዾኇዾኇዾዀዀዀዀዀዀዾዾዾዾዾኯዾኯ ኯ 378.0 174.3 158.0 165.4 194.1 321.5 118.2 118.2 118.2 118.2 -0.6 -1.4 -0.2 Accarn Unites) 2 Rougher Str. Marsagert UK Equity..... Fland Interest Index-United Cash Dependert 16577575675775 857 817 1191 1191 1191 1191 1191 1191 267 Property Orient Linkee For Eastern Lic Equity... tes A 124,6 Unit Tst Angt Ltd (1600)F 19192192 19192192 ō Boot EIA 94.99 94.99 95.94 20174 2014 96.55 H Init, Munifund Init, Enropean, Init, Fire Star, Init, American, Init World Inn., Init Enroy Mit Acc. Ensity..... Acc. Managed Canada Life Group 2-6 High St. Potters Bar. Early Ga Morentor 28. 1999 N-1949 4 N977 0707 51122 -5.8 -+0.46) -414.2 243.2 1968.4 1968.4 1968.4 1968.4 44444444 157.9 157.9 144.5 145.5 Per UK Edity Acc... Per UK Edity Acc... Per Plant Int Acc... Per Per Data Acc... Per Per Acc... Per Antorica Acc... Per Japan Acc... Per Japan Acc... Per Japan Acc... Per Japan Acc... Per Bargan Acc... Hanks 1900 1745 985 9717 726 2019 씷 201536540877689739 Intl. Property. Muniford European Fire Star. American Pension Mingel Acc.... Accine Sits Fil Life Accine Sits Fil Pens Ac... World Doos Most Fil Life Manual Doos Most Fil Life Manual Occus Mant Pens Ac... 44494579 London & Manchester Wisslade Pk, Exeter EX5105 171 2 000 1992 52155 1992 5215 1992 52155 1992 5215 1995 5215 1995 5215 1995 5215 199 Index-Hole Cite & Fuel Equity: Pes High See Ca Sector & Pe Internation Mathged P Aar Managed-6 Aar Managed-6 1982 Senits Security | Can 414.3 164.4 162.5 214.9 156.4 90.2 189.7 90.1 150.2 21.5 at Trust Filles des Union Unit Tst Mages (1600)F Property Fel JJ Franker Fel JJ Franker Fel JJ Franker Fel JJ International Fel JJ International Fel JJ American Fel JJ European Fel JJ Got Deputs Fel JJ Forshile Fel JJ Montennator Fel JJ Montenn Pers Fd. 179.40 579.40 611.10 579.40 417.90 417.90 151.12 51.70 151.12 51.70 -2.30 -7.90 -5.50 10.90 +1.00 Crown Fidancial Ma. Crown Fidancial Ma. Crow Hise, Woking Climits 106.6 105.2 111.7 112.7 107.8 102.9 4040405 5404055 0.0 Fd Mages. Ltd. (1000)H General Portfolio Life Ins. Pic General Portfolio Kouse, Harlow, Essue Coldington COI 1RA 02967 121 111 04952 5033 20100 1100 1448 40.00 1448 -0.02 1925 -0.04 1925 -0.04 1925 -0.05 1925 40.02 1938 40.00 1419 -0.05 1419 -0.05 1128 40.00 1274 40.00 1238 40.00 027962626262 LINE REAL 74924510004/2090 749249385112990 American Acc. Equity Acc..... Faced Interest. High Income A Journal Acc.... Lee, Trast Acc. Journal Acc... Doltar Ser Doltar Ser Earopean European Far East S Far East S Far East S 83.22 89.14 - 248.3399 85.16 90.19 - 6.273.23 57.45 62.971 - 6.273.23 62.72 (4.43) - 7.22 62.72 (4.43) - 7.22 61.15 97.971 (6.27) 5597971979 5597571979 5863532355313422 5865522355313422 5865522355313422 258.4 837.1 1000.8 1053.8 371.4 354.8 1000.0 1053.8 371.4 354.8 275.1 10 5444545466 Ministerie Pients Managed Property Gille & Fiel Lateres Index Heled Bauty Leading Comparis Cash Middand Rask Unit 208.2 1150.8 1100.8 100.8 100.8 100.8 100.8 100.8 100.8 100.8 100.8 100.8 100.8 uity 븕쯖 275.4 ************* 138.0 222.1 139.7 399.8 Yolio And P'folio... Myd P'folio... Myd P'folio... And P'folio... And P'folio... Perpenait Migd P Royal Tst. Migd P Millin Britt Exer Equity Screenic Sincethalider 163.8 Linked Gill t Managers Ltd (1400)H orstans, 0112 152 04034 54 156.14 59.77 61.53-620 54 150.77 51.02 54.281-6.4 ance Ltd (2) +0.6 N & G Life and M & G 217.7 01-902 8878 Segueses Besseverster 04034005 63.53-6202.05 54.28 0 0 2 0 Victoria I Amer Bui Amer Rec Amer Salt Deposit Gift Property, Broker Manuaged Cross Channel R.S... Cross Channel Recovery Manufactoria: Moge. All Worldwide Moge. TLM Lard Performance. Langette Gen Grout. +0.0) +0.0 st Ine t & Mount Ltd (1580)F -20.00

5 1743 1788 1903-61 10 ters Bar EN61AJ 111

R 2 1988

ti O: 525-2:53

10 0.500)F

23.24

Articles String

at 115 (1200)F

.

---- (0925#

at Moore the Hadde

F6 Hgs ___

Statement Lan

12 6.00

Se 114

1

- A

-0.04 Although Life Accurate Co Although Life Accurate Co 3 Duries Long Potters Bar (2061/ Unit Post Bar Bho Chir Fildechil, 1124 Bar Abo Chir Fildechil, 1124 1977 A 1977 A 1977 A -----192222244147227 d Accin Fd Accin Fd Accin 144444444

4224074469779429394928 2232324469779429394928 23232324469779429394928 154.4 97.40 92.80 +3.90 +2.40 +2.40 +2.00 +1.20 +1.20 +1.20 +1.20 +1.20 +1.20 +1.20 +1.20 666.1 493.0 106.5 499.3 139.5 432.1 139.2 139.2

197.2 269.0 169.7 207.8 207.8 348.6 219.7 178.7

Japanete Money Property Other Fandy(2) Berwin Ernity Days Brit, In. A. DBS Manged 273

99.8 128.4 495.2 207.5 283.1 178.6 218.7 376.8 366.9 226.0 186.1 914 5247 2113 308.7 181,7 222,5 383,5 291,5 191,5 40 41 41 41 1108711 712.8 719.7 222.9 260.2 304.6 192.5

- 108.7 109.5 109.5 terance Co Ltd **Ideni Jrz** Mon Gree Munaged P 102.0 Jungerial Trident Life Ltd 69 London Road, Globerster, GLI 3 Life Funds FLI XE Growth Fund
 - 0423 67265 ty imperia Life A 128
- 200.8 200.8 205.7 4145 133.5 277.1 198.6 517.5 354.0 431.1 125.1 42 410 s 117 2 +1.6 +2.4 253.3 241.1 Ξ
- TLM lml Performance Jarrets Grin Fandamy MBA UT Portfolia United Strand Strand Netrolik Growth Band Klingssorth Portfolia, Linda Lines Pr Nigola Bater Reny Nigola MASTERFUND MASTERFUND

10287.55 92.8 10.4 79.3 91.2

17070707

109.

116.4 119.9 130.7

186

BASSAD.

-03

- 26.5

-12 -(176.8 129.2 -(1.8

휤

84443027

Administry Administry Control of Accord Entity of Accord Forder of Accord	and	ry	Source of Control 108.6 108.7 40.9 108.7		
Victors Units 2011 Victors Victors <th colspan="2" td="" vic<=""><td>224.6 or9.3 -2200 - Herrispe</td><td>n</td><td>Instruct Carbon 241.1 253.3 +1.6 Do. Accumm</td></th>	<td>224.6 or9.3 -2200 - Herrispe</td> <td>n</td> <td>Instruct Carbon 241.1 253.3 +1.6 Do. Accumm</td>		224.6 or9.3 -2200 - Herrispe	n	Instruct Carbon 241.1 253.3 +1.6 Do. Accumm
Spectral Ster	136.6 146.7 +1.0	Instant ISI (d. 1005) IOS Proprint Fd	International Internationalis andifferenational International		
American a	Trade 114.4 127.1 -0.61 - Centh Pro Ser 2 126.5 144.4 +0.11 - Pen interesting 10073 113.7 +0.00 - Ford interest 107.4 115.5 +0.31 - Pen interesting 10073 113.7 +0.00 - Ford interest 107.4 113.5 +0.31 - Pen interesting 10074 113.3 Pen interesting 1007.1 113.3 Pen interesting +	total Corm	Mitage Gir 3 90.7		
City of Elili Europea Constate 55 (1558) 1558 146 (1-0008) 0.1 Prof. Pin. Fil. 04.6 Po.1 -0.1 - 46 Charlotte 55 Horn Kong &	Line Content G2.5 G7.4 - Line Min American G2.5 97.4 - - and 128.0 155.0 - - 107.2 - Assicuration - - - Assicuration - - - Assicuration - </td <td>cchost GENERALI SeA rch 9. London ECSM SDY 01-489 0733 HIR Virid</td> <td>Barn (Loc). 10/.0 175.5 40.6 - CDM Varphind Hingle. Add.4 425.6 -2.1 - amaged (Loc) - 358,6 201.7 40.9 - Commelance</td>	cchost GENERALI SeA rch 9. London ECSM SDY 01-489 0733 HIR Virid	Barn (Loc). 10/.0 175.5 40.6 - CDM Varphind Hingle. Add.4 425.6 -2.1 - amaged (Loc) - 358,6 201.7 40.9 - Commelance		
13 Latitude 20 Long 10 and 1 And 10 Long 10 10	World Counts 1027 1113 401 Handworld FAL 120.7 131.0 - Handworld - Handworld FAL 120.7 131.0 - - Handworld - - Handworld FAL 120.7 131.0 -	Bit Income Bits 3 Bits 3 <thbits 3<="" th=""> <thbits 3<="" th=""> <thbits 3<="" td=""><td>monal Persian (App) 1750.4 -2.4 - Japan Smily Co 3</td></thbits></thbits></thbits>	monal Persian (App) 1750.4 -2.4 - Japan Smily Co 3		
2. London Bridge, SE1 00.407 4404 American Enviry Arc., 325.3 377.11 +2.0 0.0 Box 469, 351 Weitingen Bridge, Senit 3, 100.1 110.1 0.10.1 0.10.1 American Max.Arc., 363.1 377.1 +2.0 0.0 Box 469, 351 Weitingen Bridge, Senit 3, 100.1 107.9 110.1 0.10.1 American Max.Arc., 363.1 371.1 +2.0 0.0 Box 469, 301 Weitingen Bridge, Senit 3, 51, 100.1 107.9 178.6 -0.0 10.1 -0.0 0.0 Proverty Find. Weitinges Benit 3, 51, 100.1 107.9 178.6 -0.0 -0.0 0.0 0.0 0.0 Proverty Find. Weitinges Benit 3, 51, 100.1 107.9 178.6 -0.0 0.0	Di Andrey Bird, Mitton Krynes MK928U With American 1991 1 1997 1 - General In 1 Di Andrey Bird, Mitton Krynes MK928U With American 1996 2 90.9 -0.3 - Senaral I of 1 Final Interview 100 200 - 132.9 -0.1 - Final Interview 100 200 - 132.9 -0.1 - Interview 100 200 - 132.9 -0.1 - Interview 100 200 - 24 Priors	Marine 1122.5 122.6 However Fd., 110.3 116.21 40.71	Construction Construction<		
Winitiangdale Unit TSI Mynnk Lab Par. Maz Acc	Treat. 1014 27/3 — Pen (IV Somi) Cut	Amerika 77.43 27.7 - Post UK Early FeL 27.43 27.24 - 2.44 Mit 40.26 17.12 - Post Inf. 17.45 27.44 - 2.44 - - - 2.44 -	Inter Greek Fe Are		
PH Box 515 Austin Franz, Landon FC2 01-568 7511 Fox or Ear Aust 1213 123 123 122 Presider Balance Aust Four Write an 51352.4 1535 143.22 President Fox Can Aust 1213 223 123 President Balance Window Truck Warry 1414 (1600)F President Euro, Accounty 151 224 235 12 August 2010 President Balance	Hat 122.5 126.5 1	1213 1216 2017 1218 2018 1218 <th1218< th=""> 1218 1218 <th1< td=""><td>anufacturers Life Insurance Co (UIO Pers Interne Acc</td></th1<></th1218<>	anufacturers Life Insurance Co (UIO Pers Interne Acc		
For Eastern	price prese biogeness 0400 640000 Possioni Performance_102.1 106.5 0.2 - init Growin dical/Fidelity International Possions Averagence. 102.1 102.5 0.2 - init Growin Pressions X-constraints - initial Possions With Perfits104.2 122.3 - Response Pressions Sector Press, 102.2 10.0 - Response Pressions Press, 102.2 10.0 - Response Pression Press, 102.2 10.0 - Response Pression Press, 102.2 10.0 - Response Pression Press, 102.2 10.0 - Response Press, 102.2 10.0 - Response Pre	Ins 1 100 2 04 21) Langbow House, 20 Chiprell S. EC1	Bits Str 3 Str 4 Out Pert State Disk Disk <thdisk< th=""> Disk Disk</thdisk<>		
Wirtight Beliguezan Fund Mages List (1000)H Print for Data 24.2 25.5 40.1 - Ministration 11 Biomrinel St, Longing EC2M 7AV 0.3880 0572 Print for Data 54.7 26.5 40.1 - Embed 11 Biomrinel St, Longing EC2M 7AV 0.3880 0572 Print for Data 54.8 27.2 - Frank for Data - Embed Working data State 201 State 201 State 201 State 201 - Embed - - Embed - - Em	rest. 1129.5 136.4 -0.1 - Economical Insurance Compary Ltm Final 1129.5 136.4 -0.2 - London RI, Stichpioner, MEDD 1F 125.1 131.7 - Managel, Stichpioner, MEDD 1F 125.1 131.7 - Managel, Stichpioner, 170.7 - 94.7	100.0 169.5 -2.6 - Gatal Property 105.4 175.0 - 0 100.0 201.0 -0.1 - Gatal Cent - 10.4 147.0 - 0 100.0 125.2 -0.6 - Gatal Cent - 10.4 147.0 - 0 100.2 125.7 -0.6 - Gatal Cent - 10.4 147.0 - 0 100.2 125.7 -0.6 Universit Gatanets - 10.4 120.0 - 0 100.2 97.1 - 0.2 Universit Gatanets 104.3 100.8 - 0	Accom 415.3		
OTHER UK UNIT TRUSTS Article line and a second and a seco	Plan 1973 104.71 - Edinburgh Neary Management Lbi Francia	Construct Construct <thconstruct< th=""> <thconstruct< th=""> <thc< td=""><td>Accome Marcia Marcia Ma</td></thc<></thconstruct<></thconstruct<>	Accome Marcia Marcia Ma		
Cent. Bd. of Fin. of Charch of Englanditi 2 ForeStreet, Landon ECTY 540 In Find Co. 33-56 1005 American Life Instanance Co UK 2 ForeStreet, Landon ECTY 540 In Find Co. 33-56 1005 American Life Control Contr	144.0 172.7 -0.1 - Equitable Life Amerance Society Ration & Jos 146.7 153.4 -0.5 - Walton St. Asienbary Butic HP21 70W, 10245 370100 Snailer (J 110.6 122.2 46.1 - Content of Statemark St. Asienbary Butic HP21 70W, 10245 370100 Snailer (J Content of Statemark St. Asienbary Butic HP21 70W, 10245 370100 Snailer (J Content of Statemark St. Asienbary Butic HP21 70W, 10245 370100 Snailer (J Content of Statemark St. St. Statemark St. St. Statemark St. Statemark St.	SF6	-Linked Str 2 110.5 124.7 Pen Japan 204.5 320.5 +1.2 - Pen Manager 124.7 Pen Manager 14.3 172.4 +0.6 -		
Depend (0:31	Intel Partial	223.9 251.7	Barry Res. Croydan 01-665 9171 Pess UK Explores 1152-5 160-5 40.5		
Eufschurzgh Fund Mages PLC Provide Pro	220.2 231.8 0.9 - Property 141.8 157.8 - - Fundamentation 200.2 231.8 -0.9 - Special Stat. 190.7 200.7 - - Fundamentation - Fundamentation - - Fundamentation - Fundamentation - - - Fundamentation - </td <td>B. Sec. Life Astron. Soc. Life Depart Parison Distance Parison <thdistan< td=""><td>Bitschaft 201.6 202.6</td></thdistan<></td>	B. Sec. Life Astron. Soc. Life Depart Parison Distance Parison <thdistan< td=""><td>Bitschaft 201.6 202.6</td></thdistan<>	Bitschaft 201.6 202.6		
Editoburgh Fund Hange PLC Foresteric 122.5 143.1 Plane to the Plane Amort Funds Amort State 100.5 100.4 -0.5 100.6 100.7 100.1 100.6 100.7 100.6 100.7 100.6 100.7 100.6 100.7 100.6 100.7 100.6 100.7 100.6 100.7 100.6 100.7 100.6 100.7 100.6 100.7 100.6 100.7 100.7 <td></td> <td>Rived Example Money Market Mary 172.75 40.1 </td> <td>Statistic and Lines Statistic and Lines Statist and Lines Statistic and Lines</td>		Rived Example Money Market Mary 172.75 40.1	Statistic and Lines Statist and Lines Statistic and Lines		
Harmond Example	International Control of the second	Reyal Dots Dots <thdots< th=""> Dots Dots <th< td=""><td>Instance International Constraints <thinternatis< th=""> Internatis Interna</thinternatis<></td></th<></thdots<>	Instance International Constraints International Constraints <thinternatis< th=""> Internatis Interna</thinternatis<>		
Borts Address 2013 228.51 +1.51 Barris Fund 64.64 65.211 anter Fund anter Fund Paradis in Cotart's Capital New 17	124.3 130.9 -0.4 - UK Equities Ford. 560.2 927.5 -4.00 - Outcome to the second secon	Stall 314.6 Stall	184 - Japan Special		
Capital Internal Capital Internal<	International Size (J) H 0272-290566 Special Size 1216.0 222.A1 -22.1 Controls in J Controls in J Controls in J main 107.5 113.3	Amp Eds Out 2015/1001 Constitution Constanon <thconstanon< th=""> <thconstitu< td=""><td>3421 -12 -767 fund lamma. 1175 1257 - 101 Corresp. 2227 401 -767 fund lamma. 1175 1257 - 102 Corresp. 2280 402 -767 fund lamma. 1186 1554 - 102 Corresp. 1053 402 -767 fund lamma. 1186 1552 - 201 Corresp. 1053 -767 402 -767 fund lamma. 1117 1170 - 201 Corresp. 1053 -767 405 -787 fund lamma. 1111 1 1170 - 101 Corresp. 1024 -605 -787 fund lamma. 1111 1 1170 - - 1024 Corresp. 1057 405 -787 fund lamma. 1111 1 1170 - 1024 Corresp. 1057 405 -016 -</td></thconstitu<></thconstanon<>	3421 -12 -767 fund lamma. 1175 1257 - 101 Corresp. 2227 401 -767 fund lamma. 1175 1257 - 102 Corresp. 2280 402 -767 fund lamma. 1186 1554 - 102 Corresp. 1053 402 -767 fund lamma. 1186 1552 - 201 Corresp. 1053 -767 402 -767 fund lamma. 1117 1170 - 201 Corresp. 1053 -767 405 -787 fund lamma. 1111 1 1170 - 101 Corresp. 1024 -605 -787 fund lamma. 1111 1 1170 - - 1024 Corresp. 1057 405 -787 fund lamma. 1111 1 1170 - 1024 Corresp. 1057 405 -016 -		
Bigs International Control 222.9 241.0 0.4 Landwork Account. 249.5 226.0 0.7 Fried International Control Bigs International Control Contro Control Contrection Control Control Control Control Contrection<	2002 2013 -14 - 16 Pan Balance (1) - 2012 4773 -1190 - Do Acon. 	1477.3 2477.7 Lauceshire & Varistaire Assoc Society 3198.1 251.7 Lauceshire & Varistaire Assoc Society 3198.1 199.9 111.7 +0.1 199.4 131.2 +0.1 Moorgate Hall, Moorgate Rd, Ratheriam, 0709-0291.91 191.4 131.2 +0.2 - Conta Sacare, 199.59 200.56 191.4 131.2 +0.2 - Balance Portfulia, 115.26 115.26 117.61 194.9 194.6 - Bort Baltiter 77.77 71.36	FID Pacific		

Į.

. . .

· . _ _ _

o ¹¹... - 1...

FT UNIT TRUST INFORMATION SERVICE Current Unit Trust Prices are available Unit Trust Code Booklet ring the FT Cityline help deek on 01-025-2125 Offer ter Tall Year Br. Street Life Chart Assessments Life Street Street Assessments Life Street Life Chart Assessments Life Street Street Assessments Life Street Assessment Life Street Street Assessments Life US Collar Assessment Life Street Street Assessment Life Data hast cases Travel Street Stre H., 201 · · · Rid Price 2 Offer + ar Yield Price - Gree Stat Print Offer + or Tield Price - Gross Prime Prime Providence Capital Life Asse. Contd. Contd. Relation Field Providence Capital Life Asse. Contd. Proversite Man Fields. 40.1 Somethin Man Fields. 60.1 Interstance Capital Life Asse. Sola Interstance Capital Life Asse. 50.3 Interstance Capital Life Asse. Sola Interverstance Acc. Sola 2010 101 - Canita 2010 - 3.5 - -3257 - 5.9 -1376 + 403 - -2410 - 1.2 - -2577 - -2410 - -1.2 - -2577 - -2577 - -2577 - -2577 - -2577 - -2577 - -257 - -257 - -257 - -259 - -257 - -259 - -250 11.2. Sizandi a Life American Carlot Plants - American Carlot Plants F.7.7 - American Special Sitt. F.7.7 - American Special Sitt. F.7.7 - American Special Sitt. F.7.7 - Carlot Plants F.7.7</td rance Co Ltd - Coetal, Co Ltd -444444444 효리: | 추추급급 Nu: ! 601106 94941 4755538774619 100 104.1 104.0 65.4 114.5 99.1 87.0 76.1 466664 | 64666 למלגל לב לב לב לב לב לא לאלם נייפיידיעיני בי ובעוריייייייייי -0.9 +0.1 +0.1 +0.1 +0.2 60.4 67.5 709 6 4 57.4 57.4 554 66 11 66 11 66 1011 1011 1011 44444 787.6 1556.2 454.7 407.2 237.8 132.8 56.9 100000 23 Alternational Provident Lind Altern Ionvich Union Life Insurance Soc. 0 Bas 149, Norwich NRL 3NG D503 622200 -04 - 76.9 - 67.9 - 12.9 - 135.7 -87124169797952151418715294511779978914111 1779 9 13105 4 13105 4 1310 8 137 4 9 13105 4 13105 1 **Გ**₫¢ᲒᲒᲒᲒᲒᲒᲒᲒᲐ₽₽₽₽₽ Pdf Pdf</th Weiner Demöter Mas. 112.3 118.3 Fostern Marranskan 142.3 118.3 Rithards, Longstaff... 073.5 96.3 Heringe Mingd En Fel. 104.5 130.21 Oth Allay Mingd En Fel. 104.3 130.21 104.3 130.21 104.3 130.21 104.3 130.21 104.3 130.21 104.3 130.4 104.3 104.3 105.3 104.3 105.3 104.3 105.3 104.3 105.4 100.1 105.3 105.3 105.3 105.3 105.3 </ Pearl Assurance (Unit Funds) Ltd Pearl Assurance (Unit Funds) Ltd St High Holms, London WCU 7EB Data Grand Managed Grand intermet Participant 1511 19021 -0.3 Deposit Fersion 13411 14021 -0.3 Deposit Fersion 13411 14021 -0.3 Target Life Assertance Co Lifd Assertance Co Lifd -0.3 Massertance Co Lifd -0.3 -0.3 Massertance Co Lifd -0.3 -0.3 Proserty -0.3 -0.3 Patrix -0.3 -0.3 Masserat Fast -0.3 -0.3 Patrix -0.3 -0.3 VirotCondi Income -0.4 -0.3 Patrix -0.3 -0.3 Secial Scial Scial -0.3 -0.3 Patrix -0.3 -0.3 ביייייישבייריקר ל ליליקר לי -15 +0-5 -0-5 +0-1 alx Assurance Co Ltd a House, Redcliff Hill, Bristol 0272 294941 Royal Liver Assurance Anion Royal Liver Assurance Anion Royal Liver Assurance Anion UK Entry Anion Gabal Engly Anion UK Entry Anion Singer Anion Managerd Anion Managerd Anion 0512361451 3853 367.6 ----Ξ Obs <thObs</th> <thObs</th> <thObs</th> 173.8 -1.0 143.3 -0.1 143.2 +0.4 143.2 +0.4 143.2 +0.4 154.6 +0.1 154.8 +0.8 Morey Managed Punifica UK Eauity Global Equity High Vield Fined hotorest Money 194403333 194423553 443170 Sta 86.30 63.40 180.9 208.6 93.50 188.4 156.0 497494 98894 98894 Prodential Assurance Co Hotoro Bars, London ECLN 2004 Profiled Managed Nov 30.______ 209-2 218.01 61-405 9222 Man 0706 +0.1 +0.40 +0.40 -10.1 -0.7 133.5 82.50 60.78 191.9 140.3 181.1 153.7 131.0 140.5 86.80 63.80 202.0 150.8 190.6 161.7 137.8 98.0 106.2 96.3 100.1 9847 100.9 97.9 97.6 97.6 97.6 97.6 1111 00 1111 100 י בברנו בנובנאט -03 40.11 P0 Box B6, Gernter, C 22.954 2.760] -0.000 0.5521 -0.2 Exting Box Lincitical E1.254 2.760] -0.000 0.55 -0.3 Erraus Box Lincited E1.254 2.760] -0.000 0.55 -0.3 Erraus Box Lincited M122 Bornads Br. -0.000 0.55 -0.3 Erraus Box Lincited M122 Bornads Br. -0.000 0.57 -0.1 64 For Street, Hamilton HW12 Bornads Br. -0.1493 7242 H. -0.1 Historia Lissak Ford Street, Landon, EC -0.1493 7242 -1 -1 -0.21 Sconada Lissan Histor Street, Handon, H12 -1 -1 -1 -0.21 -1</td Motual Tosurance Co Ltd 269.0 308.7 121.6 89.3 105.0 115.3 105.0 115.3 105.0 115.3 2 74.0 1107.6 126.4 6 Co Fd. 3 ects rest rank_______(ed.3 White design of the second sec Target International (Europe) L2 174-177 High Holton, WC1 7AA International dend Fond |126 00 133 50| The Thai-Euro Fund L2d ַלָּאַמַלאַמָּאַמָּמָאַט אַאַראַאַאַראַאַראַט אַאַראַטערעין אַאַראַטעיעייעיאַאַאַראַן אַאַראַרעין אַראַראַרעין 311-5 2741-2 214-2 Samla Hs. Le Trachar, St. Peter Port, Lloyds Bark Fond Mager (Gaurnary) Lis MAN Moundur Sc. 1 937 The Thailand Inti Fund Ltd Veimlern Life Assurance Co Lite 3-39, Perrymount Raid, Haywards Heatt instrat. 1050 174.0 islaneet. 243.0 staneet. 126.0 126.0 173.0 propert. 126.0 173.0 propert. 126.0 173.0 propert. 126.0 106.0 propert. 127.0 173.0 120.0 106.0 propert. 170.0 173.0 170.0 100.0 170 est Ltd test 103.0 174.0 162.0 162.0 104.0 100.0 1 Aus-Correct Netl. 194.5 165.7 Pros. Nam-Schneim-1956.5 196.5 Siltala Fond Managers Limital Situation Research Protection Dates Research Protection Batter State Correction 196.8 11225 Repair Network Mitchiel Protection Repair Nethers Network 173.8 1125 Repair Network Network 173.8 1125 Network 1000 Network 173.8 1125 Repair Network Network 173.8 1125 Network 1000 Network 1000 Network 173.8 1125 Network 1000 N Productinal Pensions Limited Holloon Bars, Londo FLJ 2014 00.4059222 Olarationary New 30., 5110.73 13515 -1.43 Participant New 30., 5110.73 13515 -1.43 Internationary New 30., 52102 21.452 -2.38 Internationary New 30., 52102 21.452 -2.38 Internationary New 30., 52102 21.452 -2.38 Participant New 30., 52102 -2.38 127.0 169.0 205.0 165.0 144.0 120.0 160.0 194.0 156.0 136.0

1111

10.4

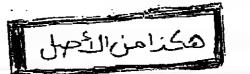
Tattersall lavestment lingt, Ltd Waverte D, Witers Rd Lichted, Staffs

44

Soc. Fd_

German 98.0 <		Windsar Life Assur Ce Lid Windsar Kate, Tafford Scraphire 0%22 202921 Acom, Pro, Lifeta	Abory LfC. 77.5 202.6 100.8	Laom 6, Partir Fill	Warkburg Enversionent Management Jessy Lido 99-41 Broad S. St Heller, Jerry, O. 054 Johnson Rev Chares Michael S. St Heller, Jerry, O. 054 Johnson Rev Chares Michael S. St Heller, Jerry, O. 054 Johnson New Traitauts Nov, So. 127 32 42 33.811	•
American Int Pest. 107.8 113.5 +0.5 - Unit Treet Mo. F	Standard Life Assurance Company 3 George S. Editory 11/2 202 00.9 -25 2032 3 Secret S. Editory 11/2 202 00.9 -25 - 500 102000 000 100 000 000 000 000 000 500 200 000 000 000 000 000 000 000 500 000 0	The Gardwark Constant, Back 052555282 -0 Arrow Margi Ky N., 154.4 44.5 451 -0 Arrow Margi Ky N., 154.7 170.3 401 -0 Arrow Margi Ky Ne. 154.6 54.9 401 -0 Arrow Margi Ky Ne. 154.6 54.9 401 -0 Ho Constant Back 104.5 169.7 401 -0 Ho Constant Back 104.5 169.7 401 -0 Ho Constant Pack 104.5 169.7 401 -0 Ho Constant 104.5 400 -0 Ho Constant 104.5 400 -0 Ho Constant 104.5 400 -0 Ho Const	OFFSHORE AND OVERSEAS	Starling Managed 1520 AC 21 SSL _0 101 _	IOM AUTHORISED Allied Dumbar International Fund Maria Allied Dumbar International Fund Maria Allied Dumbar House Density for Allied Dumbar House Density for All Wind Carbon (a. 3) Status 0.3570 0.3770 0.000 All Wind Carbon (a. 3) Status 0.3570 0.3770 0.000 All Wind Carbon (a. 3) Status 0.3570 0.3770 0.000 All Wind Carbon (a. 3) Status 0.3770 0.000 All Status 0.250 0.2770 0.0000 All Status 0.250 0.00000 All Status 0.250 0.0	
Baster Are, Southent SS2 60H 0702 333433 0702 333431 0702 33341 0702 33341 0702 33341 0702 33341 0702 33341 0702 33341	International 377.4 363.7 12.6 Ford American 114.9 121.0 +0.9 Forderty 114.9 121.0 +0.9 Forderty 233.7 56.2 +0.4 Property 233.7 36.2 +0.4 Property 233.7 170.1 362.7 +0.4 Property 233.7 170.1 362.7 +0.1 Property 1171.1 362.7 +0.1 - Property 1170.1 362.7 +0.1 - Property 1170.1 362.7 +0.1 - Property 1170.1 362.7 +1.1 - Property 1170.3 120.3 -1.11 - Property 120.4 120.7 +0.1 -	1 7 art View, Harrosatz, Hill SLY 0423 523331 Lity Amaging Famil Arti Mamping Statu, 114.7 1142.6 -0.6 - Artin Mainten Statu, 114.7 1142.7 -0.6 - Artin Mainten Statu, 114.7 1147.8 - Artin Mainten Statu, 1147.9 -	UK LISTED AEina Federatud Jati Nogra (Lac) SA Tel: 0000 000 573 Alina Federatud Intentio Pred Events Fands Asseriae Eastry	United States Perifylia	ADI UPC Car lists (5) 510 Less (1) 520 (1) 541 4 mm - For conversion Prices of Status (1) 520 (1) 541 4 mm - For conversion Prices of Status (1) 540 (1) 5	11 (r=
Property Full 2011 Find Interest 4133 447.71 414.4	Som Alliance Deservance Group San Alliance House, Hortam Lick House, Hortam Lick House, 1926 4113 - 17 - San Jinsee House, Hortam	2 The Windmith, Tart S2, Almos 6134 LEF 6423 00266 LAS Mai LES Main Francisco 11 1023 100	Australiant of a Cont. 55.14 +0.021 Europeant of a Cont. 55.34 +0.021 Pac Balle for & Cont. 55.35 +0.021 Thirt of a Cont. 55.35 +0.021 Thirt of a Cont. 55.35 +0.021 Second mode 55.36 +0.021 Australiant 5 Bond. 655.00 - Second mode 55.07 - Total Memory Frant 1000000000000000000000000000000000000	Dwilly G. Same, Future State, Mr. 031 225 1357 Ope Charlott Square, Exitements 031 225 1357 GBC Capital Ltd	Americania (a anel Adv. 1997) - 1005 - 1370 - 1413 Americania (2010) - 24 - 1414 - 1405 - 1470 - 1411 - 15 Americania (2010) - 24 - 1419 - 1477 - 1411 - 15 Americania (2010) - 24 - 1419 - 1477 - 1411 - 15 Americania (2010) - 25 - 1419 - 1427 - 1428 - 1428 - 14 Hill Benity (2010) - 55 - 1419 - 1428 - 1428 - 1428 - 14 Hill Benity (2010) - 55 - 1419 - 1428 - 1428 - 1428 - 14 Hill Benity (2010) - 55 - 1419 - 1428	
Aur Col Strate Copy Col Strate Copy Col Strate St	- Virotivida Bandill. 2020 80.5 - 40.1 - Virotivida Francis. 2020 80.40 - 0.20 - European - 2010 120 82.40 - 1.20 - European - 2010 120 - European - 2010 12	Manufalter Growth 64.8 72.7	Yen Karra- YS07	Parcharch 0.5. Growth_1 312.29 1 +0.121 - Offfer prices month are exclusive of particulturey charge Lloyds Bank (CD U/T Mgrs. P0 Ban 195 St Heller, Jorgy Lloyds Ta. (195 St Heller, Jorgy Lloyds Ta. (195 St Heller, Jorgy 19.06)	Lit Early Lates 35	
Gills Pene F4 Can 2019 - 40.4 - Paring Fands - 72.1 -72.1 -11 - Scottish Widewrd Group - 2019 - 41.3 - Activitian - 72.1 -72.1 -1.1 - Scottish Widewrd Group - 2019 - 45.5 - 2019	WWWWWW 8000	Chase de Vere Investments Lid 63 Licoler : hor Fride, London WiZ2A 3/X 02-404 5766 Sufiguent Pd	Factionile: 0534 79040 7elex: 4192136	Austral Deposit	Serving Deport	
Bids, Soc. Fel. 200.9 40.1 The Province Comparise Units Bases range of 2200 and 2200 and 2200 and 2000 and 20	Gravital 130.1 137.0 -0.3 GT Secolal Maps 191.00 85.00 -0.30 GT Secolal Maps 191.00 86.70 -0.30 Sant Life of Causada (UHO Linit -0.30 -0.30 -0.30 Sant Life of Causada (UHO Linit -0.30 -0.30 -0.30 Barton View Bastestwie, Riczi 2002 6256 841614 -0.30 -0.30 Barton View Bastestwie, Riczi 2002 6256 841614 -0.30 -0.30 Barton View Bastestwie, Riczi 2002 6256 841614 -0.30 -0.30 -0.30 Barton View Bastestwie, Riczi 2002 6256 841614 -0.30 -0.31 -0.30 -0.31 Barton View Bastestwie Riczi 2002 6256 941614 -0.30 -0.31 -0.31 -0.31 Barton View Bastestwie Riczi 2002 6253 2024 -0.30 -0.31 -0.31 -0.31 -0.31 Barton View Bastestwie Riczi 2003 6253 2024 -0.31 -0.31 -0.31 -0.31 Barton View Bastestwie Riczi 2003 10.31 20.32 10.31 -0.31 -0.31 <t< th=""><th>Zod Fir, 23 Madon SL London, W1 01-409 3337 Proter F and (Salat 1912 91.9)</th><th>Damities Constant CO.31 0.77 - CO1 - Netth American SI.34 1.42 40.02 - <t< th=""><th>Australian Fond</th><th></th><th></th></t<></th></t<>	Zod Fir, 23 Madon SL London, W1 01-409 3337 Proter F and (Salat 1912 91.9)	Damities Constant CO.31 0.77 - CO1 - Netth American SI.34 1.42 40.02 - <t< th=""><th>Australian Fond</th><th></th><th></th></t<>	Australian Fond		
Him Managed Acc. 100.3 100.0 Processor Stars 204.3 204.3 0.057 07 Total arcentrate flow 129.2 -0.3 Starting 129.3 100.5	- Per Mar Account 477.8 477.4 -10.7 - - Per Martin Account 477.8 477.4 -3.2 -	Hinther Rith G. & P) Ltd 1 The Crosser Leaderheat, KT22 80H 6372 177811 Hinterpool Learth	Umidify Fack 0K24.256 +0.002 - Verticing Y2514.700 -0.225 - Section Y2514.700 -0.005 -	Sectality: Growth Fd. 52,050 2,160	Althory Informational Assurance Ltd. Mary C. Statistown, jst of Maa Ob/24 (2325) Jobbi Sherling Fd	
Special Rames Heilal 77.1 40.1 - Bart Growth 72.7 76.6 - Gart Growth - Gart Growth <td>- University for the constraints of the second seco</td> <td>HH AGLINCY MUSING: 1971 ID4.1 </td> <td>Series franc 37/21.941 40.002 - Micropol Sil.4601 40.002 - Micropol Sil.4601 40.002 - Series for the second se</td> <td>Prodestial Lati Financial Services Ltd 0.0 co 0.1. St Peter Part, Gernser. 0481 26268 Hanned Dotate - 118.2, 1313 - 012 375 Manual Datate - 118.2, 1313 - 012 375 Manual Datate - 119.3, 101.6 - 7.31</td> <td>Model Johnson 30.877 40.903 - Arrowson Dollar Fd</td> <td></td>	- University for the constraints of the second seco	HH AGLINCY MUSING: 1971 ID4.1	Series franc 37/21.941 40.002 - Micropol Sil.4601 40.002 - Micropol Sil.4601 40.002 - Series for the second se	Prodestial Lati Financial Services Ltd 0.0 co 0.1. St Peter Part, Gernser. 0481 26268 Hanned Dotate - 118.2, 1313 - 012 375 Manual Datate - 118.2, 1313 - 012 375 Manual Datate - 119.3, 101.6 - 7.31	Model Johnson 30.877 40.903 - Arrowson Dollar Fd	

Je 110150



۱

FINANCIAL TIMES FRIDAY DECEMBER 2 1988

··- : - · -

Ę ₹.,

26

Contraction of the second s

Gu 2012022 aun an

A LAS N. C.S. C.L. A

고만 기년 년년

۲. 2014 Jan - 105 - 201

21.041.000

An and a set of the se

•. £.

土巖

.

••••

.

LONDON SHARE SERVICE

· · · · · · ·

45

•	FT UNIT TRUST INFORMATION SERVICE	LONDON SHARE SERVICE
¥	Me Min + w Yinde Me Min + w Yinde Me Min + w Yinde	2988 Price + sr Vigid 1988 Price + er Vigid 1988 Price + er Di % But.
	Balanced / 61 50.5 -0.1 - BHP Tax Mynast (Jersey) Ltd Robertin And Management (CD) JF Pacific Sees Total (S25.57 27.42 -0.13) - 000071mills Fri 8	"Shoric" (Lives up to Five Years) 4441 4112 Cosols 40c. 4441 9.09 - 80 6.34 June 24 As. 275 13.57 4441 4112 Cosols 40c. 403 - 140311268 Hung, 24 As. 275 13.57 403 - 140311268 Hung, 24 As. 275 13.57
•	Status Status<	102 95 105 105 199
e	For other food and Starting equilation. Western European	1074 1001 11.25 12.25 12.25 12.35 12.45 1
	Entropies Calify	973 904
÷	Eleventific Assurance Group Barclays Lett Fonds Fail with With 150.80 (141.00) - 00 in Ar Birling 100	1128 1034 124 124 -1 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10799 11.64 11.05 10.05 11.05 10.05
	Intel Science 1 10:3 10	GOVT STERLING ISSUES 18-5 114 Diage Machinian 5125-15-1, df + 7 19-5 114 Diage Machinian 5125-15-15-1, df + 7 19-5 114 Diage Machinian 5125-15-15-1, df + 7 19-5 114 Diage Machinian 5125-15-15-15-15-15-15-15-15-15-15-15-15-15
•	Get Strengthere the second strengthere the se	Five to Fifteen Years 10% 11% 10% 11%
	Bills of Man Assurance Lift Europe Fund S20 / 10 / 10 / 10 / 10 / 10 / 10 / 10 /	106-9 961-9 104 m 1995
	De Actes	104 105
	Ars Starting	1261 172 (Trans. 1050 400 (1100 2000) 1171 11 1171 1171 1171 1171 1171 11
	Comply Life Fund 12222 1 1 100 the set Solar 1100 the set Solar 1100 the set Solar 100 the set	100/1 97/1 <t< th=""></t<>
	Providence Capital Informational Ltd Butterfield Management Ca Ltd Providence Capital Informational Ltd Butterfield Management Capital Management	113 105/3[Etch 10 kpc 2005
	SURSTRATING 2005	106 993 Conversion 94 pc 2006 102,1 - 2 9,3 - 3 24, 11 + 5
	Strang Range State Field Linit 200	874, 8213 Freez, 74 pc 2012-1541, 074-1-54 9.06 1014 905 00, 904 1901-94, 905 905 94 11.25 7022 45411 me mc 31
	V Yer Money Mut. V229 257	Init Office Fride Price Price Price Price Price Display Display <thdisplay< th=""> <thdisplay< th=""> <thdisplay< th=""></thdisplay<></thdisplay<></thdisplay<>
í	Lange Hul, Figure 1, 1997 - 1998	Working Romery, 1975 1018 +0.03 - US Ranged
	Big Ut / Far Earl Fd 52, 822 1, 599	Pacific Growth Fund S18.46 I +0.111 S18.46 I +0.111 S18.46 I +0.111 Fire Existent S74.4 S06.2 D 28 Brown Shipley & Co Ldd Pacific Growtha Fund S18.46 I +0.111 Fire Statem 112.6 227.7 Bord Fund 53.5 Foreits Basic 0.28 Foreits Basic 0.29 Foreits Basic 0.20 Foreits Basic 0.20 Foreits Basic 0.21 22.6 22.7 D 50 Foreits Basic 0.20 Foreits Basic 0.20 Foreits Basic 0.20 Foreits Basic 0.20 Foreits Basic 0.21 0.24 0.20 Foreits Basic 0.21 0.24 0.20 Foreits Basic 0.21 0.24 0.21 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.24 0.
	PO Bax 77, New Sc, St, Peter Port, Germany D402,23539 Introduction Control of Particle	Offsbore Amogene And Server JG. Schlass
	Stering Pare Pian	Construint Const
	En (1997) 18 - 0.27 + 0.01 - Windester Contral Linkad 800 Nor 25 5105/28 State 28 St	Prestential Inti Financial Services Ltd SD(9) Option SD(9) <
	Argene Sto High Yid	Early Methods State
	0 0 def Car Ser 1 are 1 31.277 - 4.0094 0 Yes Carl Sale Freed. 190,0477 60.0477 - Alas Saper Carl Free Shart 10.15	Guides Find KAVI \$1.24 I
	Albberg förstandt Elders (Switzerlandt) Enders (Switzerlandt) Elders (Switzerlandt) Henderson Eldela Strategy Magent SA Henderson Eldela Strategy Magent S	Royal Bank of Canada Funds Gibbal Fond MAX
	Control (Notion) Control (Notin) Control (Notion) </th <th>Apple IS Strato D20 The formatic formation (according to the formati</th>	Apple IS Strato D20 The formatic formation (according to the formati
·	Disprisation Aug	USS Board 500 and 500
	Encounter (13	Processon Dec 1. Next dating Dec 0 Target Subtarriery Jose 1 Str 22. Str 21 Str 22. Str 21 Str 22. Str 21 Str 22. Str 21 Str 22. Str 23. Str
	Later in Losity (5). 51.700 1.740 0.000 - Da storting Engle (5) 44.59 1.27 - intel Managed	Satis Find Market Mind Control (Market Mind) Ltd State Find Market Mind Mind Mind Mind Mind Mind Mind Mind
	UK Preserver (D	International Barrier Sare & Presper International Control and Sare Sare & Presper International Fred International Other Fred International Control and Sare Sare Sare Sare Sare Sare Sare Sare
	H (Seale Best. 10.42 1 202 1 001) 111 Star Lander Part 22 10.46 +0.01 11.07 Rev 24 AAV 137.079(05) 2110 the Internation only NAV Da 1 10.22 40.021 - 0101 (David Part 20 20 1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Burger Sp. 14 8.81 40.09 The Charter The Charter benesit Find 17.00 24.99 17.20 9.21 17.20
	US boling Reperts May 16-220.001038 (5.57%-64) US boling Reperts May 16-220.001038 (5.57%-64) Aliled Irish Feurit Reperts Main ages (12) Ltd Aliled Irish Feurit Reperts Main ages (12) Ltd Sate State S	Schroder Investment Management Limited Find State 14.15 - Money Market State after deluction of GP (Figure Call- Conto Equity Rev 24.15 - Money Market (International Control of Control o
	Service 111.3.2 16.5.6 1.4.21 Number 10 111.3.2 10.5.6 1.4.21 Number 10 10.5.6 10.5.2 10.5	Earry Fund 54.72 5.03 - TWAA Fund Fund 50.09 00 5 - AAB-Ailted Arab Bank Ltd instruction for all uping contacts of certain other Earrors and Fund 53.74 3.99 - TWAA Fund 8" - JUP 051 - 97-100 Cannot St, London, EZ4N 56.0 (IL-6276502 alloc, b Ostification and an errors and e
t	Trite 673 Trite 673 Trite 673 Trite 773	Secure Service Fail 100 for 11. 57.54 8.03

, L .

а.

• • •• • • • • • .**--**.

.

(a. 2 *

.

Ì'

(. . -.

.

•

. .

· •--- 🙏

LONDON SHARE SERVICE

· ·

•

·

46

 ~ 1

-

- . -

FINANCIAL TIMES FRIDAY DECEMBER 2 1988

در در این مشخر متواصف مرد

٠.

4.5

: 4

.

1.1

2 · · · ·

P12: /

·--

.

-

Lalast Share Prices are available on FT Cityline. To obtain your free Share Code Booklet ring the FT Cityline help deak on 01-925-2128

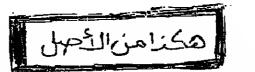
AMERICANS - Contd 1988 High Law Stack Prim + or Obr Yrd 2014 15% Transamerica S1 17% 17% 51.06 52.04 12.05 12.05 12.05 12.05 12.05 12.05 12.05 12.05 12.04 12.05 12.05 12.04 12.05 12.04 12.05 12.04 12.05 12.04 12.05 12.04 12.05 12.04 12.05 12.04 12.05 12.04 12.05 <	BUILDING, TIMBER, ROADS Contd 1982 Nist Law 91 220/mitrid Annoo Car	1988 + ar Biv 1° id High Law Stack Price - Het C'w:Gr3) PIZ 458 34048 Electronic	ENGINEERING - Contd 1982 1982 1982 1982 1983 1983 1983 1985 198	INDUSTRIALS (Miscel.) - Contd IT IS FORMER CONTONE IN DUSTRIALS (Miscel.) - Contd. INDUSTRIALS (Miscel.) - Contd. INDUSTRIA
309a 154aABM Gold Carp 1	110 950/Lad. & Crydelaet v 105 20 157.1	45 25(8cm) + 6 F (Jun 50. B) 27(-1) 10 94.6 4 4 4 4 4 6 6 1.1 - 10 94.6 4 1.4 137(8) 137(8) 135(8) 5 1.6 1.5	148 98.0000 650.0000 1116 -1 4151.00483265 275 204.0010000 120 - 0 1772 51 430.03 169 756.00000000 120 - 1 7379 30 16 119 141 156.00000 120 - 1 7379 30 16 119 41 556.00000 120 - 1 7379 30 16 119 33 28 20 4 50 - 1 2000 - 1 143 18 56112 133 63.455 - 9 109 - 2 23 54 28 113 133 63.455 - 9 119 - 2 23 54 28 113 133 63.455 - 9 119 - 2 23 54 28 113 133 63.455 - 9 119 - 2 23 54 28 113 133 63.455 - 9 119 - 2 23 54 28 113 133 63.455 - 9 119 - 2 23 54 28 113 133 63.455 - 9 119 - 2 23 54 28 113 134 64 112 - 9 110 - 2 23 54 28 113 135 63.455 - 9 110 - 2 23 54 28 113 136 64 112 - 2 24 54 113 115 360 287 M: Note on E	452 35286water tody E1 0 436 4 125 29 40114 126 2004017 6 6000 100 1 112 221 24 2 9225 299 23086 attorante E1 4 245 4 4 9 7 2 3111 1280 2004017 6 6000 100 1 20 1 20 1 20 4 2 9 225 299 21086 attorante E1 4 245 4 1 22 1 5 7 0 12 4 3 7 200 4 1 2 1 5 1
30%a 15%a/ABM Gold Corp.j	Ib60 Ib6/Ite/Itemaa-Tonis6 I70 -2 I77.118 6.0125 136 109Persimmon 100 8 170 -2 I77.118 6.0125 138 87PPosenitr Timberp 92 25.33 3.6 91 140 715Postitrsp 92 25.5 3.3 6.0125 140 715Postitrsp 137 21.3 3.6 91 140 132Postitrsp 137 21.3 3.6 91 150 542.55 9.4 137 21.3 3.6 91 151 4232R04C 60 -7 110.0 45.3 3112.3 519 4232R04C 60 -7 70 16.6 110 150 109Astrat.Acticap 81a -2 30 25.4 9.4 120 109Astrat.Acticap 142 -7 70 16.6 110 *450 337Rediatd -7 70 16.6 110 227 9.17	Sola Sola <th< td=""><td>1131 250,12m; 102, y 47, -2 1,36,2,3,48,86 403 260,12m; 102, y 49, -1 1,33,9,2,7,11,4 123 260,12m; 102, y 49, -1 1,33,9,2,7,11,4 124 174,40m; 12a; y 49, -1 1,73,72,2,4,4 132 84,7ae; 12a; 50m; 84, -1 73,72,2,4,4 73,72,2,4,4 132 84,7ae; 12a; 50m; 84, -1 73,72,2,5,4,4 73,72,2,4,4 133 84,7ae; 12a; 50m; 84, -1 73,72,2,5,4,4 73,72,1,4,4 153 75,8,22,1,4,4,1,6,3,8,1,4 73,72,4,-4,7 1,23,14,3,11,3,1 153 75,8,22,1,4,4,1,6,3,8,1,4 73,72,4,-4,7 1,23,14,3,11,3,1 153 75,8,22,1,4,14,16,3,8,1,4 73,72,4,-4,7 1,23,14,14,17,10,1 77; 5 51,49,2,7,12,20,1 1,35,14,17,10,10,1 1,43,11,17,10,10,1 77; 5 51,49,2,7,12,20,10,10,10,10,10,10,10,10,10,10,10,10,10</td><td>51 20 Bullers</td></th<>	1131 250,12m; 102, y 47, -2 1,36,2,3,48,86 403 260,12m; 102, y 49, -1 1,33,9,2,7,11,4 123 260,12m; 102, y 49, -1 1,33,9,2,7,11,4 124 174,40m; 12a; y 49, -1 1,73,72,2,4,4 132 84,7ae; 12a; 50m; 84, -1 73,72,2,4,4 73,72,2,4,4 132 84,7ae; 12a; 50m; 84, -1 73,72,2,5,4,4 73,72,2,4,4 133 84,7ae; 12a; 50m; 84, -1 73,72,2,5,4,4 73,72,1,4,4 153 75,8,22,1,4,4,1,6,3,8,1,4 73,72,4,-4,7 1,23,14,3,11,3,1 153 75,8,22,1,4,4,1,6,3,8,1,4 73,72,4,-4,7 1,23,14,3,11,3,1 153 75,8,22,1,4,14,16,3,8,1,4 73,72,4,-4,7 1,23,14,14,17,10,1 77; 5 51,49,2,7,12,20,1 1,35,14,17,10,10,1 1,43,11,17,10,10,1 77; 5 51,49,2,7,12,20,10,10,10,10,10,10,10,10,10,10,10,10,10	51 20 Bullers
289 2014 wimperial 004 213 -14 51.80 3.80 2015 1012 1012 1012 213 -14 51.80 3.80 2.80 2016 1012 1012 1012 1012 2.80 <td< td=""><td>285 125 kinerrid. 277 987.01 233 314 237.11 1881.7 115 kinerrid. 930 312 233 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 316 311.01 316 311.01 316 311.01 316 311.01 316 311.01 311.01 316 317.01 315.01 311.01 <t< td=""><td>99 33Demterrat // 100 49 1 11.21 39 35 87 348 2000mme Print Sci. Sav. 20 17.26 65 19 101 443 33Dordung 6.M. 10n. p 40 -1 2.0 2.4 4.4 117 443 370 R07mcH hids 5n. p 440 -1 5.2 5.0 1.9 121 221 174 R01mcH hids 5n. p 448 5.2 5.0 1.9 121 122 105 Reter to marker 10n. p 131 -4 4.5 2.1 4.6 10.5 128 90 File. that Prop. 5nv 115 -2 115 -2 9.6 6.7 57 Retermain Mathemark 4.6 10.5 115 -2 1.6 2.9 9.6 6.7 57 Retermain Mathemark 4.6 -1 1.6 2.7 3.7 1.6 10.7 2.4 10.3 2.0 7.1 1.6 2.7 3.7 -7 -7 -7 -7 -7</td><td>361 283 Grap 500</td><td>155 14382±rbs 50 11 14 62 27 110 12 14 14 12 12 14 14 12<!--</td--></td></t<></td></td<>	285 125 kinerrid. 277 987.01 233 314 237.11 1881.7 115 kinerrid. 930 312 233 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 231.01 314 316 311.01 316 311.01 316 311.01 316 311.01 316 311.01 311.01 316 317.01 315.01 311.01 <t< td=""><td>99 33Demterrat // 100 49 1 11.21 39 35 87 348 2000mme Print Sci. Sav. 20 17.26 65 19 101 443 33Dordung 6.M. 10n. p 40 -1 2.0 2.4 4.4 117 443 370 R07mcH hids 5n. p 440 -1 5.2 5.0 1.9 121 221 174 R01mcH hids 5n. p 448 5.2 5.0 1.9 121 122 105 Reter to marker 10n. p 131 -4 4.5 2.1 4.6 10.5 128 90 File. that Prop. 5nv 115 -2 115 -2 9.6 6.7 57 Retermain Mathemark 4.6 10.5 115 -2 1.6 2.9 9.6 6.7 57 Retermain Mathemark 4.6 -1 1.6 2.7 3.7 1.6 10.7 2.4 10.3 2.0 7.1 1.6 2.7 3.7 -7 -7 -7 -7 -7</td><td>361 283 Grap 500</td><td>155 14382±rbs 50 11 14 62 27 110 12 14 14 12 12 14 14 12<!--</td--></td></t<>	99 33Demterrat // 100 49 1 11.21 39 35 87 348 2000mme Print Sci. Sav. 20 17.26 65 19 101 443 33Dordung 6.M. 10n. p 40 -1 2.0 2.4 4.4 117 443 370 R07mcH hids 5n. p 440 -1 5.2 5.0 1.9 121 221 174 R01mcH hids 5n. p 448 5.2 5.0 1.9 121 122 105 Reter to marker 10n. p 131 -4 4.5 2.1 4.6 10.5 128 90 File. that Prop. 5nv 115 -2 115 -2 9.6 6.7 57 Retermain Mathemark 4.6 10.5 115 -2 1.6 2.9 9.6 6.7 57 Retermain Mathemark 4.6 -1 1.6 2.7 3.7 1.6 10.7 2.4 10.3 2.0 7.1 1.6 2.7 3.7 -7 -7 -7 -7 -7	361 283 Grap 500	155 14382±rbs 50 11 14 62 27 110 12 14 14 12 12 14 14 12 </td
BANKS, HP & LEASING 1988 High Law Stock Price Div Viel 2362 - 1 9034 c 9 6.8 1900 Alleed rist		bc-330+Tearning*Group 30-pt 42-4 60.73 61.74 61.74 290 235Genorg Kerr 100y 2364 236 61.75 1.87 64 91 411 1921kariand Simon 100y 366 42 2.4 6.2 0.4 97 85 460-Hightand El. 200y 366 +2 2.4 6.2 0.4 97.5 144 84kbines Protect 2011 11.6 1 r03.1c 56 1.5 12.1 420. 195Kinstyne Group 50y 200	449 121 Mail and 10 8 45 6 7.8 110 75.4 Keiland Zipa 8 85 1 3.5 2.4 4.12.3 121 6: Marria Zipa 119 -1 1.0 -1.11 -1 95 65: Marria Zipa 8 -4 1.03 3.1 2.4 1.11 -1 123 65: Marria Zipa 8 -4 1.03 3.1 2.6 1.5 153 65: Marria Zipa 1.43 -4 1.03 3.4 2.6 1.5 153 65: Marria Zipa 1.43 -4 1.03 3.4 2.6 1.5	148 1016 Common Programmer Sp. vi 1011 - 2 12014 11 26123 3551 3105 1136 114 344 101 - 2 12014 12.6123 3551 3105 1136 114 344 101 - 2 12014 12.6123 3551 3105 1136 114 100 1135 114 101 - 2 12014 12.6123 3551 1135 1146 100 1135 114 101 - 2 12014 12.6123 3551 1135 1146 101 - 2 12014 12.6123 3551 1135 1145 1135 114 101 - 2 12014 12.6123 3551 101 - 2 12014 12.6123 1135 115 101 - 2 12012 12.2123 12012 12.0123 101 - 2 12012 12.0123 101 - 2 12012 12.0123 101 - 2<
21031 11503ant Leumi III. K.1. 350 12.4 47 390 335(Bank Scotland GL P) 36412+12 m12.6 41.6 7.1 *65 45Bank of Wales 627	Instruction Control of the second secon	Get 73: 15 2.5 1.8 4.4 16.9 113 Bolinti, Calour	FOOD, GROCERIES, ETC 183 137/ASDA Gross	1146 1145
11761114310/entsche an Unitson (2010, 4) ± 4 264 ± 5 2.7 2.8 2.7 2.8 2.7 2.8 2.7 2.8 2.7 2.8 2.7 2.8	1/92 1/92 <td< td=""><td>185 113 123 271 431 211 511 95 381 385 50 411 10 44 33 9.4 173 100 945 50 100 945 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 110 100 947 100 100 947 100</td><td>293 1958 asset: Fords</td><td>106 62 00, ** ** ** 45 187 1 9.4 45 204 256 204 256 257 256 115 253 115 254 115 254 115 254 115 123 140 142<!--</td--></td></td<>	185 113 123 271 431 211 511 95 381 385 50 411 10 44 33 9.4 173 100 945 50 100 945 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 100 947 110 100 947 100 100 947 100	293 1958 asset: Fords	106 62 00, ** ** ** 45 187 1 9.4 45 204 256 204 256 257 256 115 253 115 254 115 254 115 254 115 123 140 142 </td
5225 52300	439 350 352 12.0 1.9 42.15.1 *257 157 118 111.6 117.6 17.6 17.6 *177 137 10.6 6% -4.7 - 143 -2 15.0 1.2 1.8 1.3 1.5 1.5 1.5 1.6 1.7 1.4 1.7 1.5 1.6 1.6 <td< td=""><td>SO 28/Mil Crowine Sp</td><td>525 470(G16Fed's Dairies, y 523,</td><td>122 97 100 +5 13.25 3.2 4.3 7.8 41.6 100 14.2 3.2 4.3 7.8 41.6 100 14.2 4.3 1.62 100 14.2 14.2 1.62 100 14.2 14.2 1.62 100 14.2 14.3 17.2 14.3 10.0 14.3 14.4 10.3 14.3 14.4 14.3 10.3 14.3 10.3 14.3 10.3 14.3 10.3 14.3 10.3 14.3 10.3 14.3 10.3 14.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3</td></td<>	SO 28/Mil Crowine Sp	525 470(G16Fed's Dairies, y 523,	122 97 100 +5 13.25 3.2 4.3 7.8 41.6 100 14.2 3.2 4.3 7.8 41.6 100 14.2 4.3 1.62 100 14.2 14.2 1.62 100 14.2 14.2 1.62 100 14.2 14.3 17.2 14.3 10.0 14.3 14.4 10.3 14.3 14.4 14.3 10.3 14.3 10.3 14.3 10.3 14.3 10.3 14.3 10.3 14.3 10.3 14.3 10.3 14.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3 10.3
E401,1 E23Wells Faron SS	URAPERT AND SIVKES	745 135400±tic forup 120_1 43 -1 -1 -1 147 345 13540±tic forup 120_1 135 112.57 135 112.57 137 124 2 276 2000x1rd 1st, 59 8 220 4 127 5.5 1.6 147 221 3549-£ 100 8 222 -3 112.263 5.0 1.6 147 221 13549-£ 100 8 221 -1.4 1.4 3.4 4.2 13.0 4.3 4.4 13.0 4.6 4.2 13.0 4.6 4.2 13.0 5.0 1.6 1.7 1.6 4.5 3.4 4.2 13.0 5.0 2.0 13.3 4.3 4.4 2.4 13.0 5.0 2.0 13.3 4.4 2.2 13.0 5.0 2.0 13.3 4.4 2.2 13.0 5.0 2.0 13.3 4.2 2.0 13.0 5.0 2.0 13.5	437 3705rr99220	E14 V. 797[Fueltmeth NV 51
BEERS, WINES & SPIRITS 322AIIIed-Lyons	-77 21/Amber Day 2/206 43-1 - </td <td>272 174 Do. 'W 200</td> <td>227 229 229 1 122 1 121 141 141 126 230 10 15 125 -7.8 - 265 220 10 5 17.75 2.5 4.5 12.0 295 220 10 10 17.75 2.5 4.5 12.0 295 220 10 10 10 57 -17 10.0 14.5 10.4 10.0 295 220 10.0 10 10 57 -17 10.0 2.4 4.5 10.4 10.0<td>136 4 [1032] 1364 - 2 144 - 2 110 - 2 112 - 2 120 - 2 120 - 2 144 - 2 144 - 2 144 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2<</td></td>	272 174 Do. 'W 200	227 229 229 1 122 1 121 141 141 126 230 10 15 125 -7.8 - 265 220 10 5 17.75 2.5 4.5 12.0 295 220 10 10 17.75 2.5 4.5 12.0 295 220 10 10 10 57 -17 10.0 14.5 10.4 10.0 295 220 10.0 10 10 57 -17 10.0 2.4 4.5 10.4 10.0 <td>136 4 [1032] 1364 - 2 144 - 2 110 - 2 112 - 2 120 - 2 120 - 2 144 - 2 144 - 2 144 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2<</td>	136 4 [1032] 1364 - 2 144 - 2 110 - 2 112 - 2 120 - 2 120 - 2 144 - 2 144 - 2 144 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2 120 - 2<
372 2920Drevelsh U A.J.So, B 299 3.0.4.11 3223.2.2 374 2050 D. A.Syc C 2.700P. rp 225 3.2.7 4.7 323.2.2 327.2.7 411 3224.2.2 3.2.7 4.7 3.7 1.8.2 327.2 411 3224.2.2 3.7 1.6.7 4.7 37.7 3.4 1.8.2 327.2 411 3224.2.2 4.7 3.7 1.6.2 4.9 1.2 22.8 411 176 Greenal White, rg 3.2.4 -rg rd.0.3 1.1.1 1.7 2.2.2 rd.0 1.3.2 1.9.2 1.3.3 1.2.2 1.9.2 1.4.3 1.3.2 1.9.2 1.4.3 1.2.2 1.9.2 1.4.3 1.2.2 1.9.2 1.4.3 1.2.2 1.9.2 1.4.3 1.2.2 1.9.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 1.7.2 <td>170 12017 Circles Man 5p. v 122m</td> <td>120 120<td>250 193 195 193 193 193 193 193 193 193 193 193 193 112 1</td><td>228 218 102 230 102 1</td></td>	170 12017 Circles Man 5p. v 122m	120 120 <td>250 193 195 193 193 193 193 193 193 193 193 193 193 112 1</td> <td>228 218 102 230 102 1</td>	250 193 195 193 193 193 193 193 193 193 193 193 193 112 1	228 218 102 230 102 1
440 3245 324 324 324 324 325 324 32 324 325 325 325 325 325 325 325 325 325 325	bct qtubularssimmee qtubuarssimmee qtubularssimmee	137 960a.725a.0m Prfv 961 74.% 9.97 67 50465cundtras.55a. 98 3 1.9 2.7 4.41.30 153 110Star Comp. 10pv 9.85 3 1.5 6.01 1.41.50 90 5645cundtras.55a.vv 425 1.5 6.01 1.41.50 90 5645cundtras.57a.vv 425 1.5 6.01 1.41.50 90 5645cundtras.57a.vv 425 1.5 6.01 1.41.50 90 5645cundtras.57a.vv 42.77 2.30 6.31.61.20 1.51.20 932 25545finapec Compr.55a.vv 2.77.42 3.50 6.31.61.20 1.51.61.20 1541 97.75a.ms <ribity.10a.vv< td=""> 1.57.9 1.50.9 1.5 4.7.6 971 57.8705.56incuts.50a.vv 6.5 1.4.750.01.9.7 9.29.1 9.79.2 971 57.87161.10 9.73 9.53.46.9.6 9.64.9.6 9.64.9.6</ribity.10a.vv<>	HOTELS AND CATERERS Hit departments Str. 50 153	518 2221. S. Pathingy 10p. y 222ml 55.3 3.6 3.2 11.4 126.5 1213 Intercater (in 52.5) 135.1 +H 025.2 +
359Angi a Sec 108y 372	171 113 171 <td>415 280(Tunetali Group 5p. v) 299 13,251 6.6 1.5113.6 163 115(*)(CL Group 5pv) 118 +2 1251 4.2 2.9 9.9 EL 426 332(UE1 top</td> <td>2000 20000 2000 <t< td=""><td>111 1111 111 111 <td< td=""></td<></td></t<></td>	415 280(Tunetali Group 5p. v) 299 13,251 6.6 1.5113.6 163 115(*)(CL Group 5pv) 118 +2 1251 4.2 2.9 9.9 EL 426 332(UE1 top	2000 20000 2000 <t< td=""><td>111 1111 111 111 <td< td=""></td<></td></t<>	111 1111 111 111 <td< td=""></td<>
205 27588 € EA	115 9278[Limited lac 30.50 144 1245 - 0.9 137 112(Lord Coentis 50) 3147 - 1.7 4.8 1.5 1.5 137 112(Lord Coentis 50) 33 - 3 5.77 0.7 4.8 1.5 1.5 1.1 105 522 [Lowndes (1 way 5p. f) 53 - 3 5.77 0.7 4.8 1.5 1.5 1.1 103 113(Maintet 50) 115 -1 4.6 2.9 4.4 10.0 118 96(Martin (4.2) 20) 111 -142 2.0 5.7 9.2 3188 279[Martin (4.2) 20) 111 -142 2.0 5.9 2 2418 279[Martin (4.2) 20) 2.9 2.9 -14 1.9 5.0 2.0 1.5 9.2 2418 1.9 1.9 .9 .2 2.7 1.1 <t< td=""><td>ENGINEERING 106/APV 100 211 153/ASW Hidgs. 59. 140/Advest Group. 140/Advest Group.</td><td>133A6A 48 K25</td><td>293 172/048 Gross 255 -3 172/048 Gross 251 -3 172/048 Gross 172/048 Gross 172/048 Gross 172/048 Gross 173 153 32 118</td></t<>	ENGINEERING 106/APV 100 211 153/ASW Hidgs. 59. 140/Advest Group. 140/Advest Group.	133A6A 48 K25	293 172/048 Gross 255 -3 172/048 Gross 251 -3 172/048 Gross 172/048 Gross 172/048 Gross 172/048 Gross 173 153 32 118
227 112/20pstor (F) 30	117 103 Da. Cr. Chim PP (CL. Y) 111	12 2003 Acti Mathematics	7/1220% JAner Group Free A. 5223 1103 110 1356 Heldright A. 5223 124 <	121 123 1
74 5962116rd 59	151 7211 82.5 11.4.3 4 243 15311 65.6 19.6 -7 4.6 3.9 3.1 9.7 95 5017op Valot indt 10p 9.96 -7 3.0 3.3 7.1 5.4 148 7611 9.7 14.6 3.9 3.1 5.4 148 7611 9.7 3.0 3.3 7.1 5.4 148 7611 9.7 3.0 3.3 7.1 5.4 148 7611 9.7 3.4 3.2 12.2 1.5 15 501600 7.1 9.7 42.5 -2.3 1.2 1.2 15 501600 7.1 5.4 3.4 7.2 1.2 <td>430 Additional and and and and and and and and and and</td> <td>56 2168557</td> <td>102 0.500000000000000000000000000000000000</td>	430 Additional and	56 2168557	102 0.500000000000000000000000000000000000
ova 191103005 jonksen ja 1941 –6 1 1948 348 348 9.34	· · · · · · · · · · · · · · · · · · ·		an and a second a second a second as	• 1.3% 45iRanimex A\$0,251 ₩₩₩1 Q15d +15.21 +

6210129

. * 2•



• .



LONDON SHARE SERVICE

• •

		ER 2 1988 Intain Your free On 05-025-212	FINANCIAL TIMES FRIDAY DECEMBER 2 1988		هكنامن الأحهر
		1.3-Contd.		LONDON SHARE SERVICE	Latest Share Prices are available on FT Cityline. To obtain your free Share Code Booklet ring the FT Cityline help desk on 01-925-2128
193 1	ETSURE Image: status and table				

A.444

A STATE

/ = :-31

· ••

1.

·:---. 15 . -. · .

!

. .. .

5

1 .

· _ ! .

2 40

54498B

EDE Index C EDE Index C EDE Index C EDE Index C EDE Index P SIFI C SIFI C SIFI C SIFI C SIFI P SIFI P SIFI P SIFI P

EUROPEAN OPTIONS EXCHANGE

23 200 15 50 2 50 4 30

754342 "125254000" "8

4455

2772

1, 585

187

SGENEUS.

170

72003 3020

(120

Luis 7 50 B

1999999999

40.70 40.70 84.10 54.10

FL 145 FL 145 FL 145 FL 145 FL 5450 FL 7620 FL 5860 FL 3860 FL 3860 FL 3990 FL 3990

Fi 199 Fi 6599 Fi 6599 Fi 6599 Fi 6599 Fi 2008 Fi 2008

- 14

ינו

- EC ECEC

"LEELE

S 10

3 20

4 20

4.80

8. . . E

1000

11 60

27 22

100

33712081273

.

2.

. .-

-7

1.12

æ,

17.

-

2

м.

7 . M 49

.....

.

.

... 2

10.05

.

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

48

Dollar awaits jobs data THE DOLLAR treded much in line with expecta-mervously in currency markets much in line with expecta-the currency markets the currency. THE DOLLAR treded much in line with expecta-the currency markets the currency.

.....

. . . .

THE DOLLAR treded nervously in currency markets yesterday, with many investors staying on the sidelines ahead of US employment figures for November, due for release today. The mood of uncer-tainty provided little incentive to take out fresh positions to take out fresh positions. Evidence that the US econ-

ony may not be growing as quickly as previously thought saw the dollar open in London saw the dollar open in London below its overnight levels. However, some traders pointed out that the US Federal Reserve Board is still likely to maintain a firm monetary stance, because US inflation -es measured by the fixed-weight deflator - has moved up from 3.5 p.c in the first quarter from 3.5 p.c in the first quarter of this year to 5 p.c. in the second and 5.1 p.c. in the third quarter. In eddition, investors are

likely to require firm evidence of progress in solving the US twin trade and budget deficits before restoring fully their

before restoring fully in faith in the dollar. The dollar closed DM1.7325 from DM1.7360 a Y121.60 compared with Y121 Elsewhere, it finished SFr1.4520 from SFr1.4530 a FFr5.9225 against FFr5.9325. Bank of England figures, dollar's exchange rate in doller's exchange rate inde fell from 92.6 to 92.2. US leading economic indic

tors rose by 0.1 p.c. in October,

STERLING

CURRENCY

CURRENCY MOVEMENT

Dec.1

8.30 9.00 10.00 11.00 1.00 2.00 3.00 4.00

Dec.1

Sterilag U.S Dollar Canadiao S.... Austrien Sch... Beiglan Franc Danish Krone Dentsche Mark Neth Guilder...

forway Kr

All SDR rates are for

on the day. Its exchange rate index closed et the same level as the opening and last night's close et 78.3. The pound remained underpinned by the high level of UK interest rates, which currently make sterling

which currently make stering based investments very attrac-tive to overseas investors. However, the pound anpeared to pause for breath and failed to break through key resistsnce against the D-Mark at DM3.2150. Neverthe-less, underlying sentiment is likely to remain bullish as long as investors are influenced by subdued aneah of the release of the US employment data. A lower than expected figure could depress the dollar and pusb the D-Mark firmer, thus putting pressure on the weaker members of the system. How-ever, most traders expect the Pank of Frances to intervene if as investors are influenced by the determination of Mr Nigel Lawson, UK Chancellor, to keep sterling firm and to fight inflation with high interest the franc comes under pres-sure. For the time being, the market remains relatively

the currency. Sterling finished unchanged

relexed, and the Bank of France left its money market intervention rate unchanged. rates. The ponnd finished at \$1.8530, up from \$1.8505, but

eased slightly against the D-Mark to DM3.2100 from DM3.2125. It was also slightly weaker against the Japanese yen at Y225.25 from Y225.50. Elsewhere, it closed at FFr10.9750 from FFr10.9775, and SEC 9000 unchanged from

Bank of France to intervene if

Divergence Illimit %

March long gilts opened higher at 95-12, but fell back to a low of 95-00. partly reflecting fears about rising inflation. The contract closed at 95-03, and SFr2.6900, unchanged from Wednesday. Wednesday. The French franc eased slightly against the D-Mark, but was little changed overall within the EMS. Activity was subdued ahead of the release of LIFFE LONG CELT FUTURES OFTIME

PHILADELPHIA SE LAS OPTEMS E31,250 (carb per EU

LONDON (LIFFE)

26-YEAR 9% NOTEMAL CT.

Estimated Volume 24479 (31222) Presidus day's open tel. 37756 (38447)

92-02 92-19

Estimated Volume 0 (70) Previous day's open Int. 1326 (1326)

Estimated Volume 327 66511 Prestans day's open jol. 1064 (1083)

679 8679 87.00 87.65 88,14

Estimated Volume 3155 (3440) Provins day's ones int. 16439 (16950)

Est, Vol. Car, figt. ant showed 11789 (15678) Previous day's open lat. 59923 (59980)

Hin 84.85 87.09 87.70 88.72

Cost High Low Prev. 179.10 179.75 178.30 180.45 180.75 181.15 180.10 182.10

THREE MONTH STERLING £500,000 points of 1907.

FT-SE 150 Didex \$25 per tail index point

A % NOTIONAL LONG TERM JAPANESE COVT.

Close Hich Low Prev. 108.39 108 44 108.40 107.95 107.84 108.00 107.77 107.31

84.78 86.79 85.69 87.62 88.14

Pres. 86.79 87.02 87.02 88.17

7-18 YEAR 9% MOTORAL CILT \$56,000 32mis of 180%

LIFFE 4:5 OFTIMES E25,999 Looks per CU

FUERDEST

Estimated volume total, Calls 1222 Pros 3015 Previous day's open unt. Calls 10790 Parts 13839

4559995714

Estimated volume total, Calls 10 Post 1 Previous day's open Int. Calls 128 Puls 3814

NE 8673,889.29

127534258

Dec Ma

Des Mar

Dec

152

One

MARCH BECAME the most active trading month in long-gilt futures on Liffe yesterday, with the market dominated by the rollover of positions from December to March delivery.

Stylen Fa

Cath 5-Dec Jas 15-25 15-25 15-25 -12:35 12:75 12:25 12:25 -12:35 12:75 12:25 12:25 -10:35 10:25 10:25 10:40 -7:95 7:89 8:10 8:44 0:25 5:47 5:74 6:10 6:40 0:15 3:22 3:89 4:45 4:99 0:15 1:40 2:50 3:00 1:49 1:34 1:40 2:50 3:00 1:49 1:34 1:40 2:50 3:00 1:49 1:34 1:413

CLO22 High Law 94-10 94-26 94-15 95-03 95-12 95-00

N-RSUSSAN

171991233

1375288

EN3

92-01 92-18

Wednesday. Short sterling futures, for March delivery, also began on a firm note, at \$7.07, and then a firm note, at 87.07, and then weakened amid attempts to push the contract through 87.00. There was good support at this level however, and the contract finished at 87.00, against 87.02 previously. There were no new factors.

1473888574

2565555792 268535024 2685350350

211896115F

CHICAGO

10160418832

23998299829

RERSHER

SHES.

178122057

G.S. THEASURY MONDS (CAT) 4". SION,000 Jans at 188%

1888571970

U.S. TREASURY BILLS (DAM) Sim paints of 190 %

SWISS FRANC UMAD SFr 125,000 \$ per SFr

0.6909

C 7070 0.7150

8 69 L6 0.6989 0.7075 0.7150

Standard Bank

1338888 19399992

2215 221 2216 221 2216 221 2216 221 2216 221 2216 221 2211 2211 2211 2211 2211 2211 2211 2211

0.6901 0.6901 0.6974 0.7060

Prev. 0.6414 0.6414 0.7074 0.7149

1911 99-10 99-11 99-10 99-10 90-10 9

199271992

84-01 86-25 86-17

2229292924 2299292924 2299292924

Dec Mar

SEERS FE

STER.

compared with 95-10 on

Sterling traded steadily on the foreign exchanges, and todey's figures on UK official reserves are unlikely to move the mar-ket, according to dealers. December US Treasury bond futures rose to 88-18 from 88-01 on Liffe, in subdued trading ahead of today's publication of US employment data for November.

.

LIFFE US TREASURY BORD FUTURES SPTERS LETTE FT-SE MINEY FUTWHES OFTIMIS BENEFURES NGREASS STR Serila Price 16500 17000 17509 18500 18500 19000 19509 Patt Drc 219 96 300 652 1103 1992 01333833339 128888 F 14118733 Estimated volume total, Cells 0 Pats 0 Previous day's open lat, Cells 0 Pats 6

Estimated volume total, Calls 70 Pars 82 Present day's oper se, Calls 1640 Pars 3240 LIFTE EUROPLIAN OFTENS LIFFE SHORT STERLING Pas-#01 Drc 2 4 10 268 71 94 acturber of a States 2000 Turke C Dec ASSESSED A C TURK JUNSSIE PC-SHNT 347.23 Ó å

Estimated rolume total, Calls 1295 Page 1400 Previous day's open lat. Calls 32842 Puts 24831 Entimeted volume total Calls 875 Port 700 Previous Say's men int, Calls 5417 Ports 6467

JAPANESE YEN (INN) Y12.5m \$ per Y190

DEUTSCHE MARK (DRA 194125,040 S per DM

0.8260 0.8260 0.8354 0.8455 0.8549

L3052 0.5788 0.5842 0.5907

THREE-MONTH EURODOLLAR UNDER Siles pairts of 104 %.

90.09 90.99 90.99 90.75 90.75 90.75

STANDARD & POORS 500 Diplex 1590 Dates Index

Litest 273,45 276,25 278,90 281,30

1000

0.8267 0.8354 0.8455 0.8550

High 90.83 91.00 90.91 90.75 90.75 90.75 90.75 90.65

1350 276,50 276,00 281,50

ABH C ABH C ABH P ALLON C HENEVER C HOBOUVERS C HOLINS C HE CLLOVE C HOLON C HE CLLOVE C HOLON C HOLOVER C HOLDON C HE CLLOVER C HOLEVER C HILLINS C HILLON C HE CLLOVER C HILLINS 1.5288 1.528 1.528 1.528 1.528 1.528 1.528 1.528 1.528 1.528 1.528 daligine SE E/S DPTICAE 112,548 (casts per E1)
 Strute
 Cali-stillements

 Prod
 Jam
 Feb
 Mar

 1650
 1565
 16.15
 16.20

 1753
 6.95
 11.15
 11.30
 13.26

 1870
 12.00
 11.15
 11.30
 13.26

 1870
 1.200
 4.00
 4.20
 7.20
 7.25

 1870
 1.50
 2.46
 1.05
 2.15
 1.61
 1.95
 1.95
 1.20
 1.95
 1.20
 1.95
 1.95
 1.62
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.60
 1.95
 1.95
 1.60
 1.95
 1.95
 1.60
 1.95
 1.95
 1.60
 1.95
 1.60
 1.95
 1.95
 1.60
 1.95
 1.60
 1.95
 1.60
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 1.95
 Puts-extilements Jan Feb 0.45 1.30 1.50 2.45 2.00 4.50 7.00 7.50 11.15 11.35 Dec 0.35 0.30 0.30 1.00 3.40 9.75 17.60 840 180 315 530 835 1195

70TAL VOLUME IN CONTRACTS . 20,240

Prev, 273,05 275,95 278,70 281,10

272.75 275.70 278.50

8-Bid C-Call P-Pot A-Ast BASE LENDING RATES 0.8246 0.8338 0.6450 0.8540 0.8249 0.8343 0.8447 0.8542 City Merchants Bank Clydesdaie Bank Cenna, Bk. N. East ASH Bank 13 MatWestmin AAB - Allied Arab Bt... Allied Arab Bt... Allied brid Back Arz Banking Group Associates Cap Corp Autobrity Bank Bank of Randa Bank of Banda Bank of Banda Bank Caposa Viztaya ... Bank Leusi (UK) Bank of Leusi & Comm Bank of Leusi & Comm Bank of Iedia Bank of Iedia Bank of Iedia Bank of Scotland Bank of Scotland Bank af Peland Bandar Bank MG 13 13 Count: St. 9 EAX Cooperative Bank Centis & Co..... Cypris Popular Bit Dumbar Bank PLC 13 High Low Free, 0,5747 0,5784 0,5786 0,5850 0,5838 0,5840 0,5907 0,5907 0,5898 Duncan Lawrie Equatorial Sank plc Exeter Trest Ltd Firancial & Gen, Bank ... First National Sank Plc . 13 13 13h 13 ñ - 14 40.85 90.79 90.97 90.97 90.97 90.71 90.89 90.62 90.82 91.03 90.99 90.99 90.74 90.78 90.78 90.78 90.78 90.78 Members of British Merchast Banking & Securities Nouses Association. 7 day deposits 5.22% Savenite 8.47%, Top Ter-10,000-Instant actess 12.06% & Margage base rate, § Demand deposit 8%, Margage 12.375% - 12.75% 13 Berliner Bank AG Brit Bk of Mid East ____ 13 Brown Shipley
 Brown Shipley
Bestness Mtge Tst
C. Bant Referend
Central Capital

 Charterboose Bank 13¹2 13 13 13 13 13 13

	EMS E	UROPE	AN CURI	RENCY	UNIT RAT	TES
at nd 90. at		Ecu etatoral rates	Carreacy accounts against. Ecu Dec.1	% change from central rate	% change adjusted for divergence	Dive
d	Belgian Franc	42,4582 7 85212 2 05253	43.5411 8 00930	+2.58 +2.00	19 19 19 19 19 19 19 19 19 19 19 19 19 1	*1. =1 +1

Belgian Frant Danish Krone Serman D-Mark French Franc Durch Guider Arish Punt Irish Punt	42,4582 7,85212 2,05253 6,90403 2,31943 0,768421 1483_58	43.5411 8 00930 2.07229 7.09956 2.34394 0.776827 1536.05	+2.58 +2.00 +0.% +2.83 +1.06 +1.10 +3.54	+0.82 +0.22 +0.22 +0.52 +0.52 +0.52 +0.55 +0 +00 +00 +00 +00 +00 +	$\begin{array}{r} \pm 1.5344 \\ \pm 1.5404 \\ \pm 1.0981 \\ \pm 1.3674 \\ \pm 1.5012 \\ \pm 1.6684 \\ \pm 4.0752 \end{array}$
Changes are for Eco, the	refore positive ch	ange denotes a we	ak currency		
	Danish Krone German D-Mark French Frace Durch Guilder Irish Punt Rakan Lira Chappens are for Ecu, the	Dankit Kroze 7 65212 German D-Mark 2 05253 Freach Frace 6 90403 Durch Guilder 2 31943 Hrain Guilder 0 76841 Hales Linz 0 768421 Coppes are for Ecc. Uperfore position 0 768421	Darkh Kroze	French Franc 6.99403 7.09956 +2.63 Durch Guilder 2.31943 2.34394 +1.06 Irish Prant 0.765421 0.775827 +1.10 Italius Lira 1.483.58 1536.05 +5.54 Ottopes are for Equ. therefore positive change denotes a weak currency	Cranges are for Ecu, therefore positive change denotes a weak currency

£	N NE	ew ya	ORK	POU	ND SPOT	- FORWAR	RD AGAN	ST	THE POU	ND
L	La	est	Previous. Close	Dec.1	Clay's spread	Close	Gee month	7% p.4	Three months	4. 23.
	1.46 4.25-	0.50pm 1.43pm 4.15pm	1.8530-1.8540 0.58-0.56cm 1.72: 1.69pm 5.90: 5.80pm y to the US doltar	US Canada Netherlands Belgiem Ireland W. Germany Portogal Soafo	1.2510 - 1.8570 2.1955 - 2.2025 3.61 - 3.42 ¹ / ₂ 67.05 - 67.40 12.364 - 12.42 ¹ / ₄ 1.1960 - 1.2020 3.20 ¹ / ₄ - 3.21 ¹ / ₄ 2.65.05 - 266.45 268.90 - 210.00	18525 - 1.8535 2.2005 - 2.2015 3.614 - 3.625 67.20 - 67.30 12.414 - 12.424 1.1995 - 1.2005 3.204 - 3.214 2.265 10 - 266.10 2.09.25 - 209.55 	0.57-0.54cpm 0.53-0.41cpm 21y-24.cpm 38-30cpm 51y-51y-61y- 0.55-0.50ppm 224-2phpm 19pm-25cfls 52-35cpm 4-15frcm	35% 787 5387 537 537 537 537 537 537 537 537 537 53	103-920m 153-143-30m 1.45-1.350m 64-65-000 280m-7.20	373 223 744 55 84 77 55 15 84 77 55 15 84 57 15 84 57 15 84 57 15 84 57 15 15 15 15 15 15 15 15 15 15 15 15 15
		Dec.1	Previous	Rorway Feasor	23665 -23735 11.984 - 12.011 10.944 - 10.98	23725 -23735 11.995 - 12.005 10.97 - 10.98	112-5-07000	1.06	24-13.00	0.67
910 910		783 783 783	781 781 781 781	Swetten	11.134 11.164 224 2254 2250 2258 2684 2695	11.151 - 11.161 2241 - 2251 22.55 - 22.58 2.6812 - 2.6912	24-24 oregon 14-12 year 15-132 groun 13-14 gran	276 8.32 7.68 8.09	715-64.00 415-45.00 434-404.00 512-53.00	255 8.43 7.39
200		783	10-1	State in the second sec						
201 pm pon		783	782 782 782 782 782 783		s convertible francs. F	Phancial train: 67.60	67.70 . Six-month	lervarð d	kiliar 3.41-3.36cp.m	12 month
203 mq mq mq mq		783 783 783 783 783 783	782 782 782 782 783	Belgian rate i 6.12-6.02cpr	s comercible francs. A N	Forwar				
203 mq mq mq mq	REN	783 783 783 783 783 783 783 783 783	782 782 782 783 783	Belgian rate i 6.12-6.02cpr	s comercible francs. A N					
203 mq mq mq mq		783 783 783 783 783 783	782 782 782 782 783	Belgtan rate i 6.12-6.02ppr DOLL	AR SPOT- Day's	FORWAR	D AGAIN	IST 1	THE DOL	LAR

5	Dec.1	Short	7 Days	One	Three	Sta	Г
	1	URO-CI	JRRENC	Y INT	BREST.	RATES	
7							

FINANCIAL FUTURES

Gilt volume moves to March

Dec.1 Bank of England Index Morgan** Guarasty. Damps */s Strilleg 723 -14.9 Dutation Dollar 723 -14.9 Dec.1 74.2 -14.9 Dematian Dollar 74.2 -14.9 Datastic Rose 99.0 -5.6 Datastic Kone 90.1 40.2 Dettastie Mark 146.2 +20.3 Settis France 134.5 +13.8 Frenck France 64.4 -15.2 Lina 25.4 -20.1 Yen 25.4 -134.5 Yen 45.8 -20.1 Yen 25.4 -146.2 Yen 45.8 -20.1 Yen 25.4 -10.2 Morgan Goaranty changes: average 1980-1982 -100.0 59.110.200 1975-1000 Bank of England Index (Base Average 1980-1982 -120.0 591.10.200 1975-100 25.9495 12.7700-12.8500 Argentine 21.56.85 -25.9495 12.7700-12.8600 Argentine 21.56.947.5770 12.9	Sterling 13.123 13.123 13.124 13.125 13.124 13.125 13.125 13.124 13.124 13.125 13.125 13.124 13.125 <th13.125< th=""> <th13.125< th=""> <th13.125< <="" th=""><th>Bardin Bardin Bardin<</th><th>Previous day's open and. LOACY (LEYSOF) THEREE MIDTHE COMMONICAN Elan pullets of 199% Dec 90.80 90.86 90.77 90.71 Mar 90.97 91.06 90.77 90.71 Mar 90.97 91.06 90.87 90.77 Jua 90.97 91.06 90.77 90.78 Jua 90.97 91.06 90.77 90.78 Sep 90.97 91.06 90.77 90.78 Sep 90.97 91.06 90.85 90.78 Sep 90.97 91.06 90.75 90.75 Sep 90.97 90.95 90.85 90.78 Vol. Onc. flags.net showed LONG 175593 Previous day's open lat. 100% 87-31 Dec 65-12 82-33 85-14 89-01 Mar 85-04 68-11 87-31 87-22 Jan 87-21 82-33 85-14 89-01 Mar 85-04 68-11 87-31 87-22 Jan<</th><th>Import and Export Finance Company Limited £50,000,000 Gestimed Fortig Res Notes du 1932 Unconfiduration of the second state in the payment of product of the second in the product of product of the second of the Standard Bank of South Africa Limited In accordance with the pro- visions of the Notes notice is hereby given that the rate of interest for the three monthe 30 November 1988 to 28 February 1989 has been fixed at 13% per cent end the relevant interest payment date, 28 February 1989, will be £165.67 per £5,000 Note. Agent Bank: Standard Chartered Merchant Bank Limited, London.</th><th>OPPOSITION BITTEN BY "BLOODSUCKING" TAX RISE I'M AC DIVELOR DUR POLITICAL CORRESPONDENT</th></th13.125<></th13.125<></th13.125<>	Bardin Bardin<	Previous day's open and. LOACY (LEYSOF) THEREE MIDTHE COMMONICAN Elan pullets of 199% Dec 90.80 90.86 90.77 90.71 Mar 90.97 91.06 90.77 90.71 Mar 90.97 91.06 90.87 90.77 Jua 90.97 91.06 90.77 90.78 Jua 90.97 91.06 90.77 90.78 Sep 90.97 91.06 90.77 90.78 Sep 90.97 91.06 90.85 90.78 Sep 90.97 91.06 90.75 90.75 Sep 90.97 90.95 90.85 90.78 Vol. Onc. flags.net showed LONG 175593 Previous day's open lat. 100% 87-31 Dec 65-12 82-33 85-14 89-01 Mar 85-04 68-11 87-31 87-22 Jan 87-21 82-33 85-14 89-01 Mar 85-04 68-11 87-31 87-22 Jan<	Import and Export Finance Company Limited £50,000,000 Gestimed Fortig Res Notes du 1932 Unconfiduration of the second state in the payment of product of the second in the product of product of the second of the Standard Bank of South Africa Limited In accordance with the pro- visions of the Notes notice is hereby given that the rate of interest for the three monthe 30 November 1988 to 28 February 1989 has been fixed at 13% per cent end the relevant interest payment date, 28 February 1989, will be £165.67 per £5,000 Note. Agent Bank: Standard Chartered Merchant Bank Limited, London.	OPPOSITION BITTEN BY "BLOODSUCKING" TAX RISE I'M AC DIVELOR DUR POLITICAL CORRESPONDENT
ANTEREST RATES had a sightly softer tone in London vesterday, with three-month sterling interbank closing et 134-13% p.c. on Wednesday. MONEY MARKETS Ading was quiet, with the vield curve virtually flat from two months through to one- year, indicating uncertainty about whether there will be a inther rise in bank base rates. The Bank of England has looked ahead to the £2.5 bn British Steel flotation on Wednesday 25 December 5, and says it is pre- pared to supplement its normal money market operations on the t dey life necessary the	Yea per 1,000: French Fr. per 10: Lira per 1,000: Beig	FT LONDON INT QL00 a.m. Der.D 3 months US datars bid 915 offer 914 The fixing rates are the arithmetic mesos counded to the n general by the market to the reference them set at LL00 mesos of the original Bark, Bank of Tokyo, Deutsche Bank, Bangue National MONEY NEW YORK (Lunchtime) Prime rate 914-15 824 Broker ison rate 914-15 824 Prime rate 104-2 84 Prime rate 104-2 84 Prime rate 914-15 84 Prime rate 104-2 84 Prime rate 104-12 84 Prime rate 104-13 84	6 months US Dollars M1 offer 9% Sarest one-attrantia, of the bid and offer of rates for \$1.0m Incervention of the bid and offer of rates for \$1.0m Sarest one-attrantia, of the bid and offer of rates for \$1.0m Incervention offer of rates for \$1.0m Sarest one-attrantia, of the bid and offer of rates for \$1.0m Incervention offer of rates for \$1.0m Is each worthout day, The back are fixellocal Westmester RATES Treasury Bills and Bonds 5.2 1.1 Four year 8.30 2.8.09 Fire year 8.30 1.8 Adv year 9.00 8.59 10-year 9.05 Two Three year 9.05 Two Three Siz Lowbard Months Months Months 5.00-5.15 5.00-5.20 5.00 3-83 3.4-6 9 - 1.1 - - - 3-83 3.4-6 - - 3-83 3.4-6 - - 3-93 - - -	STANDARD BANK MPORT AND EXPORT FINANCE COMPANY LIMITED 3 US 75,000,000 FLOATING RACE NOTES DUE 1991 For the site months, November SD, 1908 to New 20, 1998, the new of learned has been found at 9 TURN PA. The interest due on Ney 81, 1908 against coupon m 8 well be 9 US 499/18 and bee been computed on the actual number of days exposed (182) divided by 300. The Principal Paying Agent SOCIETE GENERALE ALSACENNE DE BANGUE TS, Avenue Bank Restar UNXEMBOUND The Financial Times proposes to publish this survey ON2:	<text><text><text><text><text><text><text><text><text><text><text><text></text></text></text></text></text></text></text></text></text></text></text></text>
authorities will lend to receiv- ing banks for a period no lon- ger than four business days, at a rate equal to the lowest offi- cial rate for buying bank 1 bills, which at present is 12% p.c. The Bank of England fore- cast a money market shortage of £350m, and supplied total help on the day of £295m. Before lunch the authorities bought £121m bills outright, by way of £20m bank bills in band 1 at 12% p.c.; £56m bank bills in band 3 et 12½ p.c.; £1m local authority bills in band 4 at 12% p.c.; and £44m bank bills in band 4 at 12% p.c. In the afternoon the Bank of	p.c. In Frankfurt the Bundes- bank council left credit policies unchanged et vesterday's meet- ing. The central bank announced a two tranche secu- rities rapurchase agreement tender, for 33 days and 61 days, with no minimum bid rate. In Paris the Bank of France left its intervention rate at 7% p.c. when injecting funds into the money market, through a securities repurchase tender. The five to 10-day rate remained at 7% p.c. Earlier this week poor French trade figures had led to speculation that the authorities might increase official interest rates.	Interisank Offer	1364 1314 1338 1314 12213 1314 1338 1221 135 1354 1354 1221 135 1354 1354 1221 135 1354 1354 1221 135 1354 1354 134 135 1354 1354 134 1354 1354 1354 1354 1225 1235 1354 1354 1225 1235 1354 1354 1225 1235 1354 1354 1225 1235 1354 1354 1225 1235 1354 1354 1225 1235 1354 1354 1226 1237 127 1354 1236 1337 1354 1354 1237 127 74 74 745 74 74 74 746 74 74 74 746	27th January 1989 For a full editorial synopsis and advertisement details, please contact: Tim Davis on 01-248 8009 ext 4181 or write to him at: Bracken House 10 Cannon Street Loodoo EC4P 4BY FINANCIAL TIMES	BRITAIN'S BROADCASTING REVOLUTION The Financial Times proposes to publish a Survey on the above on 16th December 1988 For e full editorial synopsis and advartisement details, please contact: Sarah Pakenham-Walsh On 01-248-8000 ext 4611 or write to her at: Bracken House, 10 Cannon Street London EC4P 4BY. FINANCIAL TIMES CUPOPT'S BUSINESSINE WISHAFT

6210129

1 2 1988

1.1

هكنامنالكحل

WORLD STOCK MARKETS

1

-۲

	FINANCIAL TIMES FRIDAY DECEMBER 2 1988		من لي حبل	Ψ 49
		WORLD STO	CK MARKETS	· · · · · · · · · · · · · · · · · · ·
ANGE ANGE	Conserve 2780 10 Afismet Price 2283 H 20 10 201 Jandensfaare 2690 -10 380 100 320 120	TTALY Geneticaned SWEDEN + m - Describer 1 Life + m - Describer 1 Life + m - Describer 1 Kreatt + ar - 40.4 Fredit Sa 2,070 -07 Add B (Fred) 212 + 2	CK MARKETS Sales Such High Low Close Cher TORONTO 2pm prices December 1 Stop AndCA HT 355 201 235 Stop AndCA HT 355 Stop Bord AndS 145	Price State State <t< td=""></t<>
	Da. AFV Constraint	13 Gamma Loweri 27.00 40.0 Phile 27.00 42.0 14 Hot Bircanian 140.00 -0.8 Da. Fig. 27.00 -20 15 Hall Bern 140.00 -0.8 Da. Fig. 27.00 -20 14 Heiner Dengliss 17.20 +0.1 Da. Fig. 21.00 -20 14 Heiner Dengliss 17.20 +0.1 Entrans Bareri 21.70 -20 14 Heiner Dengliss 17.20 +0.1 Entrans Bareri 21.70 -20 14 Heiner Dengliss 17.20 +0.1 Entrans Bareri 21.70 -20 14 Heiner Dengliss 17.20 +0.1 Entrans Bareri 21.70 -20 15 Hirit< Dengliss	90 Brurgant Still? 103, 103, 103, 103, 103, 103, 103, 103,	13:020 Manufaction 416 470<
	Baltics Midgs Set. 6 V.E.W Iado Cartitory 1220.0	143.5 Kommon 155.00	NEW YORK DOW JONES New New <t< td=""><td>Dec. Nov. <th< td=""></th<></td></t<>	Dec. Nov. Nov. <th< td=""></th<>
TEN ' ING"	Alloconstruct Construct Construct <thconstruct< th=""></thconstruct<>	AliSTTERLIA Conditioned Harming 1 Yea + or Descriptor 1 Amit\$ + or 620 Takes Sum 623 -1 Mid 1.26 -0.07 120 Takes Sum 2.460 -30 Mid 1.25 -0.04 120 Takes States 2.460 -30 Mid/res 1.25 -0.07 120 Takes Style 1.26 -0.04 Mid/res 1.25 -0.02 120 Takes Style 1.20 -1.0 Marger Hickles 3.70 +0.04 121 Telle .07 +22 Mid Acmit Asst	CANADA Nor Nor<	SOUTH AFRICA JSE End (28/9/78) 1367.00 1343.0 1330.0 1451.0 1777 1154.0 14/5 JSE End (28/9/78) 3864.00 1850.0 1869.0 1839.0 1869.0 1277 1154.0 1387.0 02/27 SPAIN Maphing SE (20/12/85) 280.66 281.57 282.23 283.50 301.63 125/0 225.50 14/10 SWEDEN Jacobson & P. (33/12/56) (m) (m) 3187.70 3257.70 3267.33 4/11) 2148.5 4/10 SWEDEN Jacobson & P. (33/12/56) (m) (m) 3187.70 3257.70 3267.33 4/11) 2148.5 4/10 SWEDEN Jacobson & P. (33/12/56) (m) (m) 3187.70 3257.70 3267.33 4/11) 2148.5 4/10 SWITTERLAND (m) (m) 583.2 580.9 577.7 585.3 0/12 466.6 13/10 WORLD (m) (m) 490.8 487.8 482.9 491.1 024.0 021.01 **Satorday Nov. 2
	Carton Sates Condition Total Election Caston Sates Notest Satest Sates	Hard Totyo Electory 2.490 200 1000 Totyo Electory 2.490 200 Saltary 2.55 4.000 1000 Totyo Electory 2.490 200 Saltary 2.13 4.000 1000 Totyo Electory 2.130 -200 Saltary 2.13 4.000 1137 Totyo Electory 2.1200 -200 Saltary 2.13 4.000 1137 Totyo Electory 2.1200 -200 Santary -213 17.7 -200 1147 Totyo Electory 1.1200 +400 Totyo Electory -2100 -210 <t< td=""><td>Enjoy reading your complimentary copy of in Madrid at the Holiday Inn. Hotel Miguel Angel, Hotel Palace, Hotel Princesa Plaza, Hotel Ritz, Hotel Villa Magna</td><td>The Financial Times when you're staying</td></t<>	Enjoy reading your complimentary copy of in Madrid at the Holiday Inn. Hotel Miguel Angel, Hotel Palace, Hotel Princesa Plaza, Hotel Ritz, Hotel Villa Magna	The Financial Times when you're staying
	Exat/GRD 1200 +38 March Exat/Life 1770 x Fill Parts Ocar Co 1.000 Parts 5,950	Hill State Testimase Evel 1.380 1.380 1.380 1.380 1.380 1.32 -0.03 Hill Violagent Hindse Hatting 1.380 1.480 1.380 1.22 -0.03 Hill Violagent Hindse 9.40 1.380 1.280 1.22 -0.03 Violagent Hindse 9.40 1.22 -0.03 Hotswell Hidgs 1.25 +0.03 Violagent Hindse 9.40 1.22 -0.03 Hotswell Hidgs 1.25 +0.03 Violagent Hindse 9.40 1.22 -0.03 Hotswell Hidgs 1.25 +0.03 Hindse Earlie Hindse Earlie 1.47 -0.01 -0.01 Hindse Autor 1.265 -0.13 -0.05 -0.13 -0.05 -0.13 Hindse Autor 1.268 -0.01 -0.01 -0.05 -0.13 Hindse Autor 1.268 -0.02 -0.13 -0.01 -0.13 Autor 1.268 -0.02 Autor </td <td>Europe's Busi Europe's Busi Europe's Busi Manueline States Science Soft HAMBURG, BERLIN, DÜSSELDORF, NEUSS, KÖLN, BONN, FRANKFURT, OFFENBACH, HÖCHST, ESCHBORN, RÜSSELSHEIM, MAINZ, WIESBADEN, MANNHEIM, LUDWIGSHAFEN, STUTTGART, MÜNCHEN,</td> <td>Active States St</td>	Europe's Busi Europe's Busi Europe's Busi Manueline States Science Soft HAMBURG, BERLIN, DÜSSELDORF, NEUSS, KÖLN, BONN, FRANKFURT, OFFENBACH, HÖCHST, ESCHBORN, RÜSSELSHEIM, MAINZ, WIESBADEN, MANNHEIM, LUDWIGSHAFEN, STUTTGART, MÜNCHEN,	Active States St
LUTION Here a North	Non- 2000 III Marring & Marring	Beatrichery Sepr 2.55 -0.02 Obl Storage -0.09 -0.00<	HEIDELBERG, NÜRNBERG or in the TAUNUS AREA — gain the edge over your competitors. Have your Financial Times personally hand delivered to your office at no extra charge and you will be fully briefed and alert to all the issues that influence or affect your market and your business.	magazine's senior financial correspondent, describes us as "the paper with the best coverage of international finance."

Å

ŧ

2

Φ 49

• .

.

ب شناخه مد

. . .

• •

: -

-

:

· ... *

MEX

Trav

Handstor I

A Nullian Munzilen

Ż

3pm prices December 1

50

122-

4

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Chiga Close Prev. Close Close Chigo Classe Prov. Suste Classo Silis - is 47 - is
 Theorem
 Theorem
 The First Learning Compared States
 Compare
 Homes
 Design of the second state of the second
 Taberda
 PF State
 Conserved Text

 Taberda
 PF State
 Conserved Text
 Table Text
 Conserved Text

 Taberda
 Taberda
 Table Text
 Table Text
 Table Text
 Table Text

 Taberda
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text

 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text

 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 Table Text
 <thTable Text</th>
 <thTable
 12. Month
 Des.
 The E instant show in a start in start show in a start in start show in a start show i
 P/E
 Tobe
 P/E
 Tobe
 P/E

 Dhr. YMC.
 100
 20
 0
 0
 0
 0

 L356
 11.
 200
 11.
 200
 11.
 0
 0

 1.11.
 1.20
 2.56
 11.
 200
 11.
 11.
 440
 9
 1.

 1.21.
 1.22
 5.6
 5.7
 107
 300
 5.4
 7.7
 107
 300
 5.4

 1.22
 1.24
 1.2
 1.24
 1.21
 1.26
 1.4
 10.
 1.1
 400
 16.

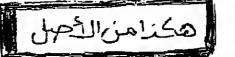
 1.1
 2.0
 7.7
 107
 300
 1.4
 3.4
 3.4

 1.20
 2.1
 1.7
 107
 3.0
 1.3
 2.3
 1.3
 1.3
 1.2
 1.2
 1.2
 1.2
 1.1
 4.4
 1.4
 3.2
 2.4
 1.3
 2.4
 1.3
 2.4
 1.3
 2.5
 1.3
 1.3
 1.3
 1.3
 1.3
 1.3
 Line Based: Dis. 335,0 Chin 1, 30 345,0 Chin 2, 30 345,0 Chin 2, 30 345,0 Chin 2, 30 345,0 Chin 2, 30 355,0 Chin 3,00 355,0 Chin 3 $\begin{array}{c} 1.71 & 6 & 1.94$ Slock AAR ,44 ACM & ACM AMR ANR ARX ASA AVX pf 2.67 53: ARX 54 53: ARX 54 11 AVX 728 54: ARX 726 54: ARX 726 54: ARX 726 55: Acmet 220 15: Addition 21 55: Acmet 220 15: Addition 21 15: Amesbp. 10 Amerok. 60 Amarok. 60 Amaros. 1.86 Amcco. 3.56 Amcco. 3.56 Amcco. 3.56 Amcco. 3.56 Amcco. 3.56 Amcro. 2 Amstr. 3 Amcro. 3 Amcro

175 70 Achilo 1 110 <	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	311 17. PMCC 128 10. 226 261 221 221 231 4 1 2 231 217, PMCC 128 10. 226 261 221 231 4 1 2 232 241 217, PTML 271 8 28 250 261 28 201 - 1 274 161 PML P1187 24 550 261 28 201 - 1 274 161 PML P2166 11, 91422 361 26 21 - 1 3 12 PmL 266 11, 91422 361 25 26 - 1 1 51 8 PML P2166 4 2 361 26 26 26 26 27 27 1 51 8 PML P216 4 20 26 26 26 26 27 26 27 26 26 26 26 26 26 26 26 26 26 26 26 26	204 994 magnetic 109 811 90 701 2014 2014 2014 2014 2014 2014 2014 20	at 3 at 3 at 3 at 4 at 4	7. * 8.* 7. *	₽ ₩ ₩

6210120

···.



Φ 51

FINANCIAL TIMES FRIDAY DECEMBER 2 1988

BER 2 1388

and the state of t

50.588 P

49 65

3 1

2 2

14

Continued of

N. R. R. R. H.

1

Nasdag national market Spm prices December : **OVER-THE-COUNTER** NYSE COMPOSITE PRICES Chiga Clean Pow. Such Clean Chips Close Pres. Caste Close 12 Month High Low Continue Day. Yiel E 100s Stock. Dir. 12 Month High Lew Steak 12 Month High Low Stock Previous Page
 4
 207
 7%
 7%
 7%
 7%

 10
 100
 207
 7%
 7%
 7%
 7%

 10
 100
 207
 100
 100
 21
 21%

 10
 200
 21
 100
 21
 21%
 21%

 10
 200
 21
 100
 21%
 105%
 11%

 10
 200
 200
 200
 21%
 10%
 11%

 10
 200
 200
 200
 21%
 11%
 10%
 11%

 10
 200
 200
 200
 200
 21%
 10%
 11%
 10%
 11%
 10%
 11%
 10%
 11%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 10%
 <td 7 6 9 351 446 30 110 10 2473 373 12 704 6 2060 4 31 Lichab 17 1 MGC 2 MGC 1.99 MGC 1.99 MGC 2 MGC 1.99 MGC 2 MGC Sabel 10 Sectors 124 Sectors 124 Sectors 124 Sectors 125 Sectors 1
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.
 10.</td 24324 12 16 10 17 10 17 10 17 10
 147.
 20.5.
 Testing J.2.
 2

 7
 4
 Testing J.2.
 2

 105.
 13.5.
 Testing J.2.
 2

 114.5.
 5
 Testing J.2.
 3

 114.5.
 5
 Testing J.2.
 3

 114.5.
 5
 Testing J.2.
 3

 114.5.
 5
 Testing J.2.
 1

 115.5.
 7
 Testing J.2.
 1

 115.7.
 7
 1
 1
 1

 115.7.
 7
 Testing J.2.
 25 72 202 35 55 12 40 1 N 49 43 50 70 202 13:20 12:13 02:05 12:13 12:14 12:15 12 $\begin{array}{c} & 7 & -7 & -7 \\ -7 & -7 & -5 \\ -7 & -8 \\ -8 & -8$ 4 ·2017 20 18 19 3 3 (14) 11 (t the Interit miling to 28 range and on the nd plue slock w yearly low at 52 36029434455687 1040 121 2012 20 10 718 100 11 194 20 10 718 20 102 21 204 100 54 114 0 75 10 54 114 0 75 10 54 114 0 75 10 54 114 15 10 47 10 54 116 16 10 54 116 5 11 121 8 113 7 381 7 381 16 27 8 141 12 204 18 35 110

AMEX COMPOSITE PRICES	Constant 15 21 124 134 124 1 Handys 125 7 64 81 - 4 Cadrwid 20 1 155 134 154 + 1 Cadrwid 20 1 155 134 154 + 1 Cadrwid 20 1 155 134 134 135 134 135 134 135 134 135 134 135 135 134 134 134 134 134 134 134 134 134 134
Ask for your complimentary copy of the Financial Times when staying at: Hamburg - C.P. Plaza Hotel, Crest Hotel, Ramada Renaissance Hotel, Hotel Kempinski, Köln - Ramada Renaissance Hotel, Altea Hotel Baseler Hof, Crest Hotel, Holiday Inn, Regent Hotel, Frankfurt - Holiday Inn, Arabella Hotel, Park Hotel, Hessischer Hof, Hotel Kempinski, Hotel Excelsior, Hotel Monopol, Intercontinental Hotel, Crest Hotel, Steigenberger Hotel Frankfurter Hof. Friedrichsdorf - Queens Hotel. Stattgart - Airport Hotel Mövenpick. Berlin - Crest Hotel, Savoy Hotel, Hotel Kempinski, Hotel Stattgart - Airport Hotel Mövenpick. Berlin - Crest Hotel, Savoy Hotel, Hotel Kempinski, Hotel Stattgart - Airport Hotel Steigenberger Hotel, Savoy Hotel, Hotel Kempinski, Hotel Stattgart - Airport Hotel Mövenpick. Berlin - Crest Hotel, Savoy Hotel, Hotel Kempinski, Hotel Stattgart - Airport Hotel Mövenpick. Berlin - Crest Hotel, Savoy Hotel, Hotel Kempinski, Hotel Stattgart - Airport Hotel Steigenberger Hotel, Statella Hotel, Arabella Hotel, Vestpark, Grand Hotel Continental, Hotel Erzgießerei. Düsseklorf - Steigenberger Park Hotel, Ramada Renaissance Hotel, Hotel Nikko, Holiday Inn, Savoy Hotel, Übacks Hotel, Börsenbotel, Hotel Esplanada, Rheinstern Penta Hotel, Nikko, Holiday Inn, Savoy Hotel, Ubacks Hotel, Börsenbotel, Hotel Esplanada, Rheinstern Penta Hotel, Nikko, Holiday Inn, Savoy Hotel, Ubacks Hotel, Börsenbotel, Hotel Esplanada, Rheinstern Penta Hotel, Titstenhof/Zentralhotel, Hotel Breidenbacher Hof. Heidelberg - Prinz Hotel, Penta Hotel. Ladwigshaften - City Hotel, Mannheim - Intercity Hotel. FINANCIAL TIMES	Current 13 23 24

WORLD STOCK MARKETS

FINANCIAL TIMES

E

joviet U.

as robb

in to Ist

دي : منه يزيد

mar bar ata st

Mr. 5775

to be then it

Michiga .

Space alter the

No.724 14 1 3

÷ ... ter (

South Africa fr

211

 \mathcal{L}^{n} $\mathcal{H}_{\mathcal{H}}$ × . .

2 1.--ta attack a int

** a ... Poblic int

Gi in

MARKETS

1.47

100

. **11**

Economic uncertainty upsets Dow

Wall Street

AMERICA

52

UNCERTAINTY over whether tha economy was slowing down or continuing its rate of growth saw stocks trading lower on Wall Street for the first time this week, writes Karen Zagor in New York.

At 2 pm, the Dow Jones Industrial Average was down 7.82 points at 2,106.69 in moderte volume. The release of the Commerce

Department's composite index of leading indicators had little impact on the market as the increase of 0.1 per cent in October was in line with expectations.

Analysts had anticipated a pause in the stock market rally from mid-November lows. However, they said there was reason to believe that the trend of the market was still upward, given that eight of the previous nina sessions had closed

amid acepticism that today's johless figures would give support to the recent rally. Conversely, the bond market

Treasury's benchmark long bond up only 4 point to 99%, a price at which it yielded 9.048 per cent. Federal Funds rose to 8½ per cent as the Federal Reserve proved less generous in supplying liquidity than in the past few days.

Long-term interest rates were expected to remain rela-NYSE Volume

highe

The lower prices on the New York Exchange paralleled stock movements in Europe, where US shares traded lower

was relatively quiet during morning trading, with the

EARLY gains on the main European bonrses were

trimmed by profit-taking, leav-ing a mixed picture at the close. Zurich benefited from

continued speculation on possi-ble share liberalisation, writes

Our Markets Staff. ZURICH had a lively session

whether other companies might join Nestlé in opening

up their registered shares to foreignars. The Crédit Suisse

index rose 1.6 to 511.9. The session saw active

switching from a company's

bearer stock to participation certificates. One salesman said

holders of PCs that were now

trading at a discount to regis-

tered stock would benefit if there were further liberalisa-

tion moves, as the PCs would follow the registered np. Bear-

ers, meanwhile, were bound to fall.

The switching trend was

seen in insurances. Winterthur bearers lost SFr150 to SFr4,450 while the PCs gained SFr24 to

SFr680. The PCs were still trad-

ing at a discount to the regis-

tered, which lost SFr60 to

SF73,290.

s speculation continued on

Daily (million) 300 250 Average daily volume Oct 3, to Nov 30, 1987 170.679.000 200

0 17 18 21 22 23 25 28 29 30

November 1988 tively stable until the release of November's unemployment data today. Analysts do not anticipate an increase in the

Federal discount rate unless payroll employment rises by more than 250,000.

The dollar eased in the early morning in New York, with

mids

traders said to be disenchanted by the Government's apparent lack of interest in supporting

lack of interest in supporting the currency. By early after-noon, however, the US cnr-rency had recovered to the pre-vious day's level of Y121.55. RJR Nahisco was again the most actively traded stock on the New York Stock Exchange, with mid-morning volume of 3.7m. Shares in the company slipped \$% to \$92%, following an announcement that RJR an announcement that RJR had accepted an offer by Kohl-

berg, Kravis, Robert, the hig-gest US leveraged buy-out firm, of \$109 a share in cash and securities. Arbitrageurs expressed donhts about the true value of the deal, as much of the payment was to be made

in non-cash securities. American Telsphone and Telegraph, the world's largest telecommunications company, saw the second highest volume shares traded after an announcement of a \$6.7bn pre-tax charge, which would result in the company's first annual loss. The charge, which is to cover write-downs in the value of the company's obsolescent analogue switching equipment, had been forecast by the com-

pany, but AT&T's shares fell \$% to \$29%.

General Cinema, one of the

largest US cinema operators and the leading independent Pepsi Cola bottler, plcked up \$1% to \$23% after the announcement of a \$1.5bn acquisition of tha company's soft-drink bottling business by PepsiCo. The General Cinema news

pushed shares higher in Nei-man Marcus Group, the up-market US retailer, which market OS retailer, which surged \$1% to \$16%, and Cad-bury Schweppes, the confec-tionery, soft drink and food producer, up \$1% at \$54%. General Cinema is a leading shareholder in both companies and could be argusting to bid and could be preparing to bid for one of them.

However, the acquisition had a less bullish effect on PepsiCo shares, which traded \$2 lower at \$38%

Canada

CONCERNS about rising interest rates faded as Toronto shares made small gains in thin early trading. Base metal issue rises offset falls by golds and industrials. Energy issues were mixed on a slight rise in the price of crude oil in New York. The composite index rose 3.2 to 3,298.0 on turnover of 4.9m shares.

US institutions plump for ADRs

The units are overtaking home indices, writes Patrick Harverson

MERICAN Depositary A Receipts are proving the flavour of the sea-son among US institutions this autumn. In the past three months demand for ADRs, the packages of foreign shares sold directly to US investors on Wall Street, has risen sharply as US institutions look to non-US equities to provide the earnings potential lacking in New York

New York. ADRs have significantly outperformed both the FT-SE all share index and the S&P Composite index since September, according to the US broking house Salomon Brothers. house Salomon Brothers, which compiles an dollar-based ADR index. The ADR index has climbed by 13.8 per cent, the FT-SE all share by 0.6 per cent and the S&P by 2.4 per cent. A striking example of the fresh demand for ADRs was seen in the October 26 flotation

ASIA PACIFIC

of UK's Racal Telecommunica-tions Group. Such an issue would usually have witnessed a "flow-back" of the floated stock to the UK as American ADR bolders sold to London institutions. However, the Basel lagge are an unusually Racal issue saw an unusually large "flow-in" of stock to the US after UK institutions began 85... selling the shares as ADRs. The dollar exchange rate has

probably been the most influ-ential factor in the recent renaissance of ADRs. Septem-ber to November is the season when European companies report results and pay out divi-dends. The dollar's weakness against the main European currencies in this period meant American investors benefited from having their ADR divi-dends - which are based on local currency earnings -

translated into dollars. Another influence, said Mr

completely convinced. Yester-

day's performance indicated to

one analyst at least that "there

the market." The less optimis-tic position warns that higher interest rates are still a poten-

tial threat and that unemploy-

ment figures for Japan and the US expected today could well point to an inflationary trend.

though the story has been

known for some time. Chiyoda advanced ¥100 to ¥925 and the

trading houses concerned all

Nikkei dips lower on profit-taking

Tokyo

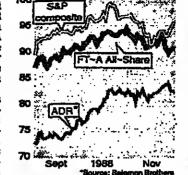
PROFIT-TAKING in large-vol-ume issues and a shift of interest to recent laggards left share prices mixed in active trading, writes Michiyo Nakamoto in

Tokyo. The Nikkel average finctu-ated throughout the day, rising to a high of 29,683.74 and dip-A front page newspaper report that Chiyoda, a plant engineer, will participate in a big refinery construction proj-ect in Iran, together with sev-eral trading houses, sparked interest in these stocks, even though the story has been ping to a low of 29,531.76 to close down 37.44 at 29,541.46. However, advances led declines by 494 to 390 while 184 issues vere unchanged.

Volume was strong at 1.54bn shares, though moderately lower than the 1.62bn traded on Wednesday. The TOPIX index of all listed stocks lost 2.35 points to 2,282.50, while Japanese shares rose in Lon-don, leaving the ISE/Nikkei 50 index up 2.67 at 1.868.07.

"The mood on the market is still very good," said Mr Yoshio Shimoyama at Nikko Securities. The indices declined mainly because large volume shares were taking a rest. Buying was spread across a wide range, as investors concentrated on smaller stocks that have underperformed, but the overall positive atmosphere was reflected in the greater number of gains than losses, Mr Shimoyama said.

Others, howsver, were not



92.2m shares. The recent interest in Sumitomo Metal partly stems from speculation that

the rebuilding of Iran would increase demand for its scam-

less steel pipes. In Osaka, interest in low-

AUSTRALIA fell for the

overnight gains in New York. The All Ordinaries index

dropped 15.0 to 1456.5, a six-

month low, with mining stocks

ther above the \$4.25-a-share

Cadbury Schweppes rose fur-

among the hardest hit.

196m shares from 154m.

Roundup

Singapor

May 1, 1987 - 100

Michael Howell, equities strategist with Salomon Brothers in London, has been the growing perception among US investors that nearly all the ADRs listed or quoted in New York are ervalued. The London mar-

ket has been outperformed by New York this year, making UK stocks such as Glaxo and ICI look chesp against US issues

The autumn promotional ush in Europe launched by build in Europe usuation of y US stock exchanges has also helped. The London office of the NYSE, opened in October, was set up to persuade Euro-pean corporations to launch ADRs and take advantage of greater US demand for European equities. "US institutions have a

growing appetite for non-US securities," said Mr Robert Britz of the NYSE. The state-ment is backed up by an October survey by Broadgate Con-aultants of tha US showing that 58 per cent of US mutual funds interviewed preferred to invest in non-US equities through ADRs rather than directly via foreign markets.

O.S.K. Lines Y32 up to Y800. adding 3 cents to A\$4.38 in Large-capital steels and shipactive trade. buildings lost on active profit-taking. Sumitomo Metal, which rose during the day to a new high of Y794, up Y8, closed down Y15 at Y771 in the ses-sion's most active trading of Woolworths fell 4 cents to A\$3.61 on confirmation that

Industrial Equity, off 4 cents at A\$1.35, had a controlling stake in the retailer. Le Fort Capital Corp rose 5 cents to 55 cents on its first day of trading. HONG KONG was led higher

again by property stocks, with the Hang Seng index adding 8.73 to 2.668.03. Turnover was little changed from Wednesday, at HK\$1.17bn worth of shares against HK\$1.13bn.

priced issues snpported the OSE average which rose 122.93 to 27,869.26. Volume firmed to In properties, Swire A was the day's most active stock, gaining 30 cents to HK\$19.

Trading resumed in Sun Hung Kal Properties, up 30 cents at HK\$12.10, and New Town, 55 cents bigher at HK\$6.40, after the news that Sun Hung Kai planned to pri-vatise New Tuwn.

SINGAPORE eased amid uncertainty over interest rates although turnover received a fillip from large block deals in specific stocks. The Straits Times industrial index gave up 2.02 to 1.003.47 and volume rose to 15.7m shares from 12.6m.

Hong Fok lost 9 cents in early trading after saying it had not sold its Fortress Tower office building in Hong Kong, but picked up later to and 2 cents higher at S\$1.59.

and the DAX ended off highs at 1.277.98, a gain of just 1.99. Deutsche Bank rose DM3.80 to DM517.80 in anticipation of better 10-month figures, due in about two weeks' time, and the possibility of a rights issue to fund its expansion plans and stoke up its capital ratios. Dresdner came off 40 pfg to

DM295.80 after reporting a 1 per cent fall in its 10-month figures on Wednesday. The results were described as "rather disappointing" by one analyst, who added the bank's diversification plans did not entail anything radically new.

Electronics company Nixdorf, for which brokers have sharply downgraded their earnings forecasts, fell DM14 to DM313. Siemens, investigating the possibility of repairing a damaged Iranian nuclear reac-tor, rose DM1.50 to DM481.50. In the capital goods sector, MAN rose DM4 to DM226 on news of good order inflow at

there was also a hint of ner-West German bourses fell to vousness before today's US DM55.9bn in November from employment data. The FAZ at midsession rose 3.09 to 529.54 DM81.9bn in October, the Fed-eration of Garman Stock Exchanges said. PARIS saw interest focus on

holding company Occidentale Générale as speculation grew that it would soon announce a significant acquisition.

The market as a whole remained lacklustre, however. The CAC General index rose 1.4 to 392.3 and the OMF 50 index finished 1.14 lower at 406.98. Any fears of an immedi-ate rise in interest rates were quelled when the Bank of France left its key intervention rate unchanged at 7% per cent. Occidentale jumped FFr19 to FFr812 on volume of about 60,000 shares. Thomson-CSF put on FFr3.50 to FFr201.50

after Wednesday's news of its venture with Aerospatiale. AMSTERDAM was depressed towards the close hy early falls on Wall Street and a decline in the dollar against the guilder. The CBS all-share index shed 0.3 to 99.1.

Holland America Line rose Fl 157 to Fl 1,350 on speculasteel trading subsidiary Ferrostahl. Mannesmann was up tion about its net asset value to SKr380 before ABB, which it DM3.20 at DM193.10 on following the sale of its tourowns jointly with Switzerism business to Carnival Cruise Lines of the US, for which it says it will make a \$400m profit. Nedloyd eased Fl Wednesday's announcement that it would increase its land's Brown Boveri, released nine months profits slightly investment budget by 50 per below forecasts. cent next year. Share turnover on the eight 2.70 to F1 235.80 after rising

Switch from bearers buoys Zurich steeply this week on sugges-tions it might become a bid target for Holland America. MADRID succumbed to fur-

ther profit-taking and the gen-eral index lost 0.91 to 280.66 in low volumes. Union Explosivos Rio Tinto,

reporting Pta 6.3bn profits for the first nine months against Pta 528m in the same period last year, lost 9 points to 299 per cent of par. The profits rise came from an extraordinary profit of Pta 9.7bn, but this was an accounting item rather than cash flow item - arising from the cancellation of debt obligations - and the company was thus actually in the red, said analysts.

MILAN was helped higher by foreign demand for hiue chips and the Comit index ended 3.44 up at 582.36. Among insurers, La Fondiaria rose L950 to L70,000 and Unipol climbed L875 to L19,075 amid continued talk that the latter faced a pos-

sible hostile takeover. STOCKHOLM was helped higher by recent positive cor-porate results, with the Affarsvärlden inder up 5.9 at 962.6. Asea B free shares rose SKr7

BRUSSELS saw a continued

co firming Y15 to Y550, Mitsui and Co firming Y15 to Y550, Mitsu-bishi Corp rising Y20 to Y1,370, Sumitomo adding Y20 to Y1,210 THE OTHER main Asia Pacific markets closed mixed, with interest rate concerns still dicand Marubeni rising Y23 to tating events in Australia and Y772 in heavy trading. Investors also focused on fourth consecutive session as low-priced issues, particularly shipping companies which worries over interest rates and currencies overshadowed the

were seen as underpriced in comparison with steels and shipbuildings. They are also benefiting from an uptrend in the tanker market, and improved profitability. Heavy

trading drove Japan Line up Y40 to Y579, Nippon Yusen Y43 higher to Y559 and Mitsui offer from its UK parent,

where the state of the second states and the states of the

There was a similar pattern in insurer Zurich. The share types have different nominal values and this has to be considered when calculating premiums and discounts.

FRANKFURT ran into prof-it-taking after a firm start, leaving prices marginally higher. Most of the action was in the big liquid stocks and for-eign buying helped to swell turnover to a modest DM2.5bn. The stable dollar and Wall Street's better tone on Wednes-der understand mine bet day underpinned gains, bnt

SOUTH AFRICA

PLATINUM issuea led a R37.50 and Rustenburg added R2 to R49.25. general stock market advance in Johannesburg yesterday as the price of platinum rose fur-Gold shares also ended bigher, on the improvement in the bullion price ther. Impala gained R2.25 to

small recovery in the shares of Fabrique Nationale and Gechem, which had plummeted in recent sessions in response to recapitalisation plans. FN added BFr78 to BFr628 and Gechem put on BFr48 to BFr678, both in active trading. The cash index lost 6.02 to 5.355.

IFC EMERGING MARKETS INDICES

	-				TOTAL RETURN					
Narket.	No. of stocks	cks 1988 on Sept Dec 31 '87 1988			% Change on Sept ocal currency	% Change on Dec 31 '87 y terms)	October 1988		% Change on Dec 31 '87	
Latin America	(152)	138.8	-4.8	60.8	-	-		178.4	-4.2	72.8
Argentina	(24)	204.3	-20.0	49.8	16,790.0	-19.9	533.9	224.7	-19.8	58.5
Brazil	(57)	80.0	-2.8	77.0	11,402.7	25.8	1059.3	106.1	-2.1	93.8
Chila	(25)	417.1	-7.8	11.5	796.4	-7.5	18.5	626.1	-7.1	23.5
Mexico	(46)	323.3	-0.9	84.7	3,863.0	-1.0	94.0	417.4	-0.3	93.4
Asia	(207)	296.5	-14.3	79.9	-	-		362.9	-14.2	87.5
Korea	(62)	377.5	8.5	53.8	321.4	8.8	36.2	618.7	9.0	68.8
Malaysia	(62)	106.8	3.7	19.8	117.6	3.2	28.8	123.8	4.3	26.4
Talwan	(84)	807.8	-25.0	138.4	583.0	-26.2	138.2	879.9	-25.0	141.3
Thalland	(19)	236.3	-4.3	41.6	219.1	-5.6	41.5	384.6	-4.8	51.9

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co., and County NatWest/Wood Mackenzie In conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS	WEDNESDAY NOVEMBER 30 1988						TUESDAY NOVEMBER 29 1988			BOLLAR INDEX		
Figures in parentheses	US	Day's	Pound	Local	Gross	US	Pound	Local			Year	
how number of stocks	Dollar Index	Change	Sterling	Currency	Olv.	Dollar	Sterling	Currency	1988	1988	ago	
per grouping		%	Index	Index	Yield	Index	Index	Index	Hìgh	Low	(approx)	
Australia (91)	146.42	-0.4	117.31	111.27	4.88	146.97	117.62	111.44	152.31	91,16	98.79	
ustria (17)	97.98	-0.4	78.50	88.39	2.44	98.37	78.73	88.28	100.00	83.72	93.01	
elgium (63)	133.15	-0.2	106.68	120.18	4.21	133.45	106.80	119.79	139.89	99.14	98.43	
anada (125)	121.72	+1.0	97.52	104.76	3.36	120.54	96.47	104.26	128.91	107.06	103.79	
Denmark (39)	153.56	+0.2	123.02	139.67	2.17	153.32	122.70	138.93	153.98	111.42	112.36	
Inland (26)	138.23	+1.4	110.75	118.62	1.41	136.31	109.09	117.12	139.53	106.78	-	
rance (130)	110.77	+0.1	88.75	103.08	3.15	110.66	88.57	102.38	112.05	72.77	84.23	
Vest Germany (102)	86.36	+0.4	69.19	77.94	2.39	85.98	68.81	77.19	88.21	67.78	75.84	
long Kong (46)	110.10	+1.1	88.21	110_31	4.68	108.90	87.15	109.14	111.86	84.90	81.70	
reland (18)	130.24	-0.6	104.34	119.36	4.18	130.99	104.83	119_31	144.25	104.60	99.74	
taly (98)	85.43	+0.5	68.44	81.86	2.47	85.03	68.05	81.15	86.73	62.99	80.24	
apan (456)	190.1S	+0.5	152.34	146.52	0.51	189.28	151.48	145.31	190.7S	133.61	139.61	
Malaysia (36)	140.55	+0.3	112.61	144.77	2.95	140.18	112.19	144.12	154.17	107.83	100.40	
Mexico (13)	179.36	-0.4	143.70	448.50	1.14	180.05	144.09	450.21	182.24	90.07	115.92	
tetheriand (38)	109.52 70.53	+0.3	87.74	97.90	5.04	109.24	87.43	97.10	111.00	95.23	92.46	
lew Zealand (25)	127.15	+0.5	56.51	57.13	6.91	70.16	56.15	56.88	84.05	64.42	76.85	
lorway (25)	119.93	+1.1 0.4	101.87	111.87	2.59	125.78	100.66	110.71	132.23	98.55	101.22	
Singapore (26) outh Africa (60)	122.81	-3.4	96.08 98.39	107.60	2.52	120.43	96.38	107.67	135.89	97.99	91.48	
	151.99	-0.4		98.05	4.69	127.11	101.73 122.15	96.65	139.07	98.26	147.19	
ipain (42)	136.C0	+0.7	121,77 108,96	130.23 121.25	3.14	152.62	108.13	130.54	164.47	130.73	118.21	
weden (35)	79.33	-0.8	63.56	7.47	2.36	135.11	64.02	120.26 71.66	137.43	96.92	91.71	
Inited Kingdom (318)	138.95	+0.3	111.33	ui š	4.73	79.99 138.59	110.92	110.92	141.51	74.13	80.31	
SA (577)	111.45	+1.0	89.29	111.45	3.66	110.40	88.35	110.40	115.55	120.66 99.19	117.73 95.16	
											_	
urope (1008)	115.01	+0.2	92.14	98.70	3.76	114.79	91.87	98.20	116.61	97.01	97.17	
acific Basin (680)	185.11	+0.4	148.30	143.48	0.74	184.29	147.49	142.34	185.75	130.81	135.84	
uro-Pacific (1688)	157.05	+0.4	125.82	125.71	1.64	156.48	125.23	124.82	158.08	120.36	120.40	
orth America (702)	111.99	+1.0	89.73	111.06	3.64	110.93	88.78	110.04	116.07	99.78	95.62	
urope Ex. UK (690)	99.97	+0.1	80.10	91.03	2.99	99.85	79.91	90.47	101.29	80.27	84.42	
acific Ex. Japan (224)	124.88	+0.1 +0.4	100.06 124.57	105.17 124.88	4.76	124.74	99.83 124.00	104.91	128.27	87.51	90.26	
Vorid Ex. US (1886)	138.58		111.02	124.68	1.71	154.94	110.29	124.00	156.39 138.58	120.26	120.11	
	138.69	+0.6			2.05	137.80		120.26		111π	109.75	
Vorid Ex. So. Af. (2403) Vorid Ex. Japan (2007)	113.78	+0.6	91.15	120.46 106.55	2.28	137.92	110.38 90.52	119.52 105.76	138.69	113.26	110.21	
		-0.6			3.74	113.10			115.54	100.00	96.48	
he World Index (2463)	138.59	+0.5	111.04	120.31	2.29	137.86	110.33	119.37	138.59	113,37	110.44	

Latest prices were unavailable for this edition



Now you can track both sides of the Atlantic.

CALLFREE 0800-282465



RIISTS

er Trust (which tracks the FT-A All, Share Index) and a Morgan Grenfell U.S. Equity Index Tracker Trust (which tracks the Standard & Poor's 500 Index). The value of these investments may fluctuate and is not guaranteed. ed by Morgan Greufell Unit Trust Managers Limited. Member of LAUTRO, IMRO and the Unit